

# The National Underwriter

LIFE INSURANCE EDITION

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FRIDAY, OCTOBER 26, 1934

## WHAT PEOPLE WANT

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IT is the aim and purpose of the B. M. A. to provide complete income protection at guaranteed low cost. Protection for the policyholder himself and for his dependents. That is what people want.

The new B. M. A. All-Star Special plan guarantees the continuance of the income in the following manner:

### To the Policyholder:

Disability benefits—when he is disabled by either sickness or accident—with additional benefits for hospital confinement.

### To the Beneficiary:

A cash payment for immediate expenses at death. A monthly income during the difficult readjustment period. Special anniversary gifts also during the readjustment period.

The policyholder knows exactly how much he must save each month to provide this security, so important to his efficiency and happiness.

It appeals to men and women alike. Salesmen enjoy selling it. The B. M. A. is proud to provide it. IT'S NEW—IT'S COMPLETE.

There's a reason why the B. M. A. shows an increase of 46% over the corresponding period of 1933—compared to the general increase of 13% for the country.

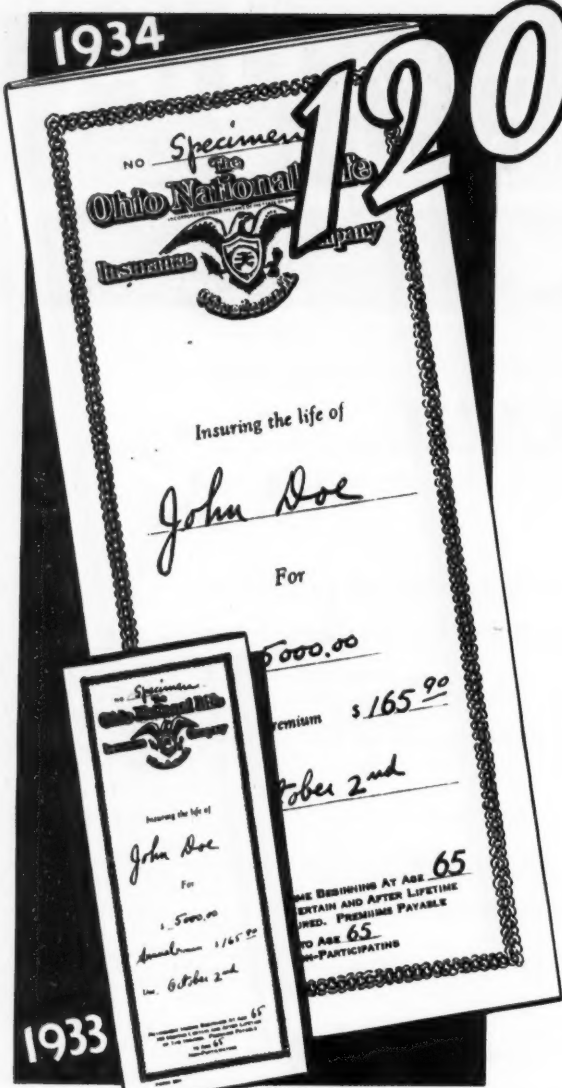
*The B. M. A. has what the people want.*

## BUSINESS MEN'S ASSURANCE COMPANY

KANSAS CITY :: MISSOURI

W. T. GRANT, President

# 120% Increase...



The Ohio National Life Insurance Company has passed its twenty-fifth year. Its new Home Office has been dedicated. The Company is operating in twenty-nine states and has opportunities for General Agencies in many of these states.

The Company has to offer in addition to a very attractive and salable line of policy contracts a definite working program known as the Three Way Plan. This program consists of a simple but effective prospecting system, a very definite program of time control and a series of Direct Mail letters and organized sales talks to meet each situation in life.

In addition to this service there is personal help and supervision in the field and a personalized briefing service to meet unusual requirements. All these services are offered to the members of the Ohio National Field Staff.

The new paid for business of the Ohio National for the first eight months of 1934 shows an increase of 120% over the paid for production for the same period of 1933. This record is a tribute to the life underwriting profession. It also illustrates the great confidence the public are expressing in the institution of life insurance. It is also an evidence of the value of a well-organized and well-planned sales program.

The Ohio National operates in the following States: Alabama, Arkansas, California, Colorado, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Missouri, Nebraska, Nevada, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Washington, and Wyoming.

For a General Agency Contract write  
JOHN H. EVANS, Vice-President

## The Ohio National Life Insurance Company Cincinnati, Ohio

**T. W. APPLEBY, President**

# The National Underwriter

## LIFE INSURANCE EDITION

Thirty-Eighth Year—No. 43

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, OCTOBER 26, 1934

\$3.00 Per Year, 15 Cents a Copy

### Fear Discounted In Some Quarters

Officials Believe Downward Tendencies Not as Alarming as Reported

#### SIGNS OF THE TIMES

Improvement Is Seen in a Number of Home Offices of Life Insurance Companies

NEW YORK, Oct. 25.—As the time for preliminary dividend announcements approaches there is much discussion of possible trends, with "betting odds" going towards further decreases. Many seem to apprehend a definite downward trend in interest rates. This is having its effect still further in fundamental underwriting policies of companies, to the curtailing of long time commitments as much as possible, especially along the line of annuities.

There are many, however, who believe that great caution should be exerted in this connection. They do not believe this definite downward swing will attain anywhere near the rate that some fear. They do not feel the rate will decrease sufficiently to make any material changes necessary in the future. It is their opinion that undue haste in the reduction of interest rates and dividends, unless positively essential, will react unfavorably on the business. Should any general reductions be made, the public that has been attracted from the investment angle may lose its interest and turn once and for all to one of the two fundamental investments, land or government bonds.

#### Built Up Large Cash Reserves

It is true that 1933 saw a material cut in interest earnings by the companies—an average of 4.75, compared with 5.08 in 1932, 5.33 in 1929 and a peak of 5.38 in 1923 and 1924. But it is pointed out that 1933 was also a year of perverted action up and down the entire line of finance. Last year the companies went through the longest period of largest cash reserves that can be recalled, at least by present executives. The holding of these unprecedented cash reserves for emergency use necessarily had an effect on final interest returns. Also, last year saw probably the peak of woe in relation to the actual taking over of city mortgages. That meant a cut in mortgage income, as the initial expenses, combined with loss of interest, must cut heavily into earnings until such time as the companies can get the properties taken over into income producing units.

This year, there has already been a material improvement in many offices. The properties are under better control—and in many cases are giving the companies a better income than for-

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### Security Valuations Topic Before the Commissioners

COMMITTEE MET IN NEW YORK

Subject Will Come Before the State Officials at Their Gathering in Florida

NEW YORK, Oct. 25.—No action on security valuations for 1934 annual statements was taken by the committee of the Insurance Commissioners Convention at its meeting here this week under the chairmanship of Superintendent Van Schaick of the New York department. Decision was reserved until the National Convention of Insurance Commissioners meets Dec. 4-6 in St. Petersburg, Fla. Discussion occupied about five hours, but no statement was issued as to the outlook for valuations for this year's statements.

The meeting was attended by all but two of the committee. Commissioner Brown of Minnesota, president of the convention, was present as a member ex-officio. Beside Chairman Van Schaick those present included Commissioners Dunham of Connecticut, Boney of North Carolina, Brown of Massachusetts, Warner of Ohio, Clarke of Iowa, Palmer of Illinois, Acting Commissioner Graff of Pennsylvania and Deputy Commissioner Gough of New Jersey. The absentees were Commissioners Senff of Kentucky and Sullivan of Washington.

The commissioners went over the subject in considerable detail, there being much discussion as to whether the valuations used as to stocks should not be those as of Dec. 31. The whole subject, however, will be threshed out by the commissioners and a report will be formulated in time for the Florida meeting.

Delegations from the National Fraternal Congress and American Life Convention attended the conference and presented their views on the subject to the commissioners. The general impression prevails that the commissioners' convention will continue valuations along the same line as it did at the end of last year. However, more current quotations undoubtedly will be included which will give a more accurate average. There is an element in the organization that still presses strongly for the market quotation basis for stocks. When the valuation committee convenes at St. Petersburg, there will probably be some skirmishing before a report can be agreed upon.

#### DOMINION ASKS INFORMATION

To assist in the valuation of certain securities at the close of the year, the Canadian insurance department has requested from all companies a statement showing each security, in its holdings of government, municipal, railway and miscellaneous bonds and debentures, in default as to interest or principal payments and the date of default.

As of Oct. 10, 1933, the companies furnished a list of their securities then in default. The department now asks for a list of any such securities which, since 1933, have been placed in good standing and are not now in default as to interest and principal, and also any information as to the financial position or earnings during the present year of

### Dr. Wells of Iowa Heads Medical Directors Body

ANNUAL MEET IN NEW YORK

Many Technical Papers Are Presented and Discussed by Prominent Medical Authorities

NEW YORK, Oct. 25.—Dr. Fred L. Wells, medical director Equitable of Iowa, was elected president of the Association of Life Insurance Medical Directors at the annual meeting here last week. Other officers are: Dr. Eugene F. Russell, Mutual Life of New York, vice-president; Dr. Chester T. Brown, Prudential, second vice-president; Dr. E. G. Dewis, associate medical director, Prudential, secretary (reelected); Dr. A. O. Jimenis, assistant medical director, Metropolitan Life, treasurer; Dr. Samuel B. Scholz, Jr., Penn Mutual Life, editor of proceedings; Drs. Harold M. Frost, New England Mutual Life; Henry W. Cook, Northwestern National Life; Donald B. Cragin, Aetna Life; Ross Huston, Bankers Life of Iowa, and William Bolt, New York Life, members of the executive council.

Dr. Elliott P. Joslin of Boston, internationally famous authority on diabetes, was a guest speaker, discussing a paper on "Clinical Experience with Diabetes Mellitus Applied to Life Insurance," presented by Dr. E. S. Dillon, Penn Mutual Life. Dr. Cragin also discussed this paper.

#### Paper by Mayo Man

A paper by Dr. Arle R. Barnes of the Mayo Clinic of Rochester, Minn., on "Coronary Sclerosis as an Insurance Problem," was read in his absence on a European trip. It was discussed by Dr. H. W. Cook, Northwestern National; Dr. William Muhlberg, Union Central; and Dr. Benjamin M. Baker, Jr., of the cardiological clinic of Johns Hopkins University.

Others who presented papers or formal discussions included Dr. R. Wesley of Cleveland; Dr. F. Maurice McPhedran, University of Pennsylvania; Dr. C. R. Rein, Post Graduate Hospital, New York City; Dr. R. G. Stillman, prominent New York City internist; Dr. L. H. Lee, Pacific Mutual Life; Dr. Louis I. Dublin, third vice-president and statistician, Metropolitan Life; Dr. Jimenis; Dr. R. S. Fowler, Brooklyn; Dr. Burrill B. Crohn, New York City; Dr. S. J. Streight, associate medical director Canada Life; Dr. Herbert Old, Provident Mutual, and Dr. H. H. Fellows, assistant medical director, Metropolitan Life; Dr. E. J. Campbell and Dr. Bolt, both of the New York Life; H. S. Bassford, assistant actuary Metropolitan Life, and H. S. Marks of the same company. There was a written discussion by Dr. Arthur Hunter, vice-president and chief actuary of the New York Life.

Dr. Wells, the new president, served as vice-president last year. For 26 years he has been with the Equitable Life of Iowa. In 1908 he was appointed assistant medical director and in 1912 medical director.

companies whose securities are in default.

### Wisconsin Denies Longer Time Limit

Disapproves Several Companies' Forms With Six Months' Loan, Surrender Clause

#### MORTENSEN IN RULING

Commissioner Believes Control of Cash Demands in Crises Can Be Left to Commissioners

An attempt said to have been made by several large eastern life companies to increase the permissible waiting period on payment of policy loans and cash surrender values from three to six months was unsuccessful in Wisconsin this week. Commissioner Mortensen disapproved policy forms which had been submitted containing the six months' clause.

The companies made it clear they did not contemplate using the privilege if it were granted, but that they believed such a clause would obviate the necessity of a policy moratorium if another financial emergency such as in 1933 should arise. They also argued that the proposed clause would be in the interests of all policyholders, making their insurance sounder.

#### No General Movement

Rumors that the proposal in Wisconsin was the first step in a general movement of American life companies to make permissible throughout the country the use of a waiting period as long as six months, in place of the three months almost universally employed, and in some states set by law as a maximum, were denied in the east.

The Association of Life Insurance Presidents has heard of no move to extend the waiting period, its officials stated. This expedient is not looked upon by the organization companies as an effective remedy, for it is believed that to invoke it would precipitate the very conditions that the companies in time of financial stress were seeking to avoid.

Officials of companies which are members of the American Life Convention also expressed conviction that there is no movement among substantial companies to increase the waiting period. Even companies that are shaky, it was pointed out, hesitate to invoke the waiting period on demand for cash loans and surrenders, due to the public reaction.

#### Hold Hearing in Wisconsin

The rumors about this movement were that commissioners of many states had been approached on the subject. In Wisconsin a hearing was held with the commissioner, at least one official of an eastern company attending. The names of the interested companies were withheld as a matter of public policy.

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# Riehle in Blast Against Part Time and Unfit Agents, Urges Better Selection

T. M. Riehle, president of the National Association of Life Underwriters, has come out with a blast in the form of a memorandum, in his crusade to bring about the elimination of part time agents, of obviously unfit agents and to improve the standards of selection of agents.

In his address, after being elected president of the National association at the Milwaukee convention, Mr. Riehle said these were the three basic problems, agency-wise, today and he announced that it would be the objective of his administration to see that action towards reform was taken and improvement recorded. He amplified his ideas in this direction, in his appearance before the annual meeting of the American Life Convention. Now he has published the memorandum which is a racy, salty and forceful document. It seems to have been timed to appear just before the joint meeting in Chicago next week of the Association of Life Agency Officers and the Life Insurance Sales Research Bureau.

## Distribution of Memorandum

The memorandum has been mailed to agency officers of life companies, to officers of the local life underwriters associations, to all members of the National Association of Life Underwriters who are managers, general agents or superintendents and to all members of committees of the National association.

Mr. Riehle states that life insurance is the greatest economic idea in the history of the world and is the best sold idea in the country, but its actual sale is the most poorly handled transaction. "The indiscriminate appointment of agents and the unnecessary employment of part time agents are evils which

should be eliminated," he declares.

"The life insurance business offers a life career big enough for any man. We owe it to our good agents to protect them against unfair competition.

"Eliminate the part timers in certain places, and those unqualified for life underwriting, and close the doors in the future to those obviously unfit who may wish to enter the business. Certainly agency turn-over will not lessen if little is done to improve it.

"Being in this business is a privilege, if we make it so.

"The problems are difficult, and the plans should be conservative but definite."

"Our business is a life career for men of character. Why should it be made more difficult for them?"

"Life insurance is considered by many as the hardest of all selling businesses. Why should it not be made as pleasant and fruitful as possible? Let us make a conscientious effort."

Mr. Riehle said a change in the plan of compensating agents should not necessarily precede other action nor is it bound up in the program. It is simply a question of seeking to correct abuses which are apparent.

Mr. Riehle said that about 10 years ago there were 100,000 agents in the country. Today the estimate is there are from 150,000 to over 200,000.

"The public's view is that 'poor devils' go into the life insurance business when nothing else is available."

A recent questionnaire of the Life Underwriters Association of New York indicated that the subject leading all others in interest among the membership was elimination of the part time man.

## Offsetting the Loss

Although the elimination of the part time agent would mean a temporary loss of business, he asked whether the loss would not be more than offset by the strength and position of the competent, full time agent.

Mr. Riehle points out that the part time agent's problem must be viewed from the point of view of the metropolitan center and the rural districts. Some say there should be no part timers in cities of 20,000 or more. Others say 8,000. The Life Underwriters Association of Canada adopted a resolution asking that no part time licenses be granted to those operating in a town of more than 5,000 and that no part time li-

censes be granted to persons engaged in certain occupations, for instance, accountants, auditors, lawyers, ministers, paymasters, priests, schoolteachers, trade union officials, bank employees, government or railway employees, etc.

Mr. Riehle referred to the rumor that many ex-agents who had part time contracts which were canceled, secured licenses for their wives.

Distinction should be made as to the legitimate part-timer in rural districts.

"We should not have parasitical factors—'cow birds' who lay their eggs in our nests to hatch.

"In what other business or profession can a man start as an apprentice or part timer on a try it out basis? Although the part time idea helped develop the business originally, is it not now hindering its development?"

## Continuous Process

The elimination of obviously unfit agents, he said, should be a continuous process. He referred to the company agreement in Canada whereunder men who do not produce a minimum of \$20,000 during the first year and \$30,000 during the second are dropped. A production test of a full time agent might vary in different localities.

Many believe minimum annual paid case requirement of 10 or 12 or more is more to the point.

As to the selection of agents, he said that all need an active, daily, recruiting plan and a philosophy of selection.

"Just because it is difficult to get the right type of man is no reason to take the 'backwash,' 'poor devils,' and 'Toms, Dicks and Harries.'"

He said the practice of putting on any one who wants to come under contract should be curbed. In raising the bars, occasionally a winner may be lost but that loss will be more than offset by the gain of losing a lot of losers.

Among the tests suggested are: Whether the prospective agent is the type who would fit in with the agency force, company and institution of life insurance, whether he is financially sound and if he is unemployed, whether

(CONTINUED ON PAGE 12)

## Comment on Company Rating

The following letter was received by THE NATIONAL UNDERWRITER from a president of a life company which is rated "A" by the A. M. Best Company. The comment of the chief executive therefore is of interest:

"I have read your articles on life company ratings. In my opinion the nub of the whole issue is whether it is in public interest to have institutions like insurance companies rated by an independent concern by some designation that classifies them according to supposed financial situation or excellence.

## Statutes Covering Banks

"For instance, some states have very rigid statutes prohibiting any such rating of banks or any classification that would reflect on any bank or trust company. There are severe penalties attached for violation of this law. The reason, of course, is obvious; if banks were rated those in the lower brackets would soon have a run on them and they would be forced to close their doors. It is true that bank examiners have been woefully incompetent, have not done their duty or have yielded to pressure of bank officials or directors and have covered up weaknesses. However, banks are supervised by the federal and state governments. The insurance companies, in my opinion, are in the same category as the banks. Any rating of insurance companies is unjust because classifications below "A" immediately direct attention to those companies and the policyholders, not having the information or experience to judge the standing, will take the word of what seems to be a competent rater. The companies have no recourse against these raters. They simply have to submit.

## Picture Is Kaleidoscopic

"The injustice of rating seems to be in the fact that the life insurance picture may change from month to month. For instance, I know companies that the A. M. Best Company has put below the "A" grade, because in its opinion they have too large a proportion of real estate on hand, they having had to foreclose. Yet after all, it may be a ques-

tion whether real estate in the long run will not be about the best asset that a company may have. It is difficult to arrive at correct market values on many of the securities. I doubt very much whether there is anyone who is competent to give a valuation of all the securities of any company. There is not a ready market for some of these securities. What may be counted a good security to own today may be way down the scale in six months' time.

## Injustice Is Wrought

"Therefore, I do not see how it is possible for A. M. Best Company or anyone else to give anything like a correct rating. This being the case, naturally an injustice is worked on companies below the "A" grade. Policyholders naturally become very much alarmed over a lower rating. Yet the management of a company may be square and honest and doing the correct thing. Even though the company may be temporarily embarrassed over some part of its assets, yet give it time and it will work out in a superb way. I believe that we should have the same sort of statutes relating to insurance company rating that we have as to banks in some of the states."

## COMMENT BY GENERAL AGENT

A well known Iowa general agent representing an eastern company in one of the larger cities of the state, in writing to THE NATIONAL UNDERWRITER comments as follows on Best's rating:

"Without doubt the public is interested in the A. M. Best ratings of life companies. Many people rely on them because the state departments have failed to prevent bad practices at head offices that have led to failures. Life men are in favor of Best's ratings as they consider them the most reliable source of information available. I attended a meeting of our general agents and managers' association today when the question of rating was discussed. No one present expressed a wish to have them discontinued.

"It is my opinion that Best's ratings should not be discontinued until our state insurance departments prove themselves

capable of courageous administration. The trouble is that most of our departments are politically controlled. This, no doubt, is the cause of our life insurance failures. The handling of some of the receiverships is to be greatly criticised.

"A life company should continue only because it deserves to on account of its merit. The public has a perfect right to be protected. Instead of criticising Mr. Best, let us evolve a system of supervision that will make ratings unnecessary. If our state departments were rightly handled there would be no need of a rating service. A federal life insurance investigation is hinted and undoubtedly a number of policyholders would welcome it. If we attempt to throw more obscurity over the operations of life companies and withhold proper information from the public, then I think an investigation will come."

## Observe 86th Anniversary

James Lee Loomis, president Connecticut Mutual Life, spoke on "Trusteeship in Life Insurance" before the St. Louis agency as part of the celebration of the 86th anniversary of the founding in 1848 of the St. Louis general agency, the first agency established west of the Mississippi river. H. H. Steiner, secretary, was also present.

## Gets Promotion



MILDRED HAMMOND

The members of the American Life Convention were greatly gratified when it was announced at the annual meeting at Chicago that Miss Mildred Hammond had been appointed assistant secretary. She has been in the employ of the organization five years, starting after the Cincinnati meeting in October, 1929. Judge Byron K. Elliott had then come into office and she became his private secretary. Before that she was secretary and treasurer of the Trans-Continental Transport. She was born in Indiana, Oct. 1, 1903, and was educated in the St. Louis schools.



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## Palmer Tells the Code Provisions

Illinois Insurance Director Outlines Proposed Changes in Laws

### HAS LARGE AUDIENCE

Important Disclosures Made by State Official in Addressing Illinois Chamber of Commerce Luncheon

Those who have been following the career of Ernest Palmer, Illinois Insurance director, at the speakers' table agreed that his address before a capacity luncheon of 652, under the auspices of the Illinois Chamber of Commerce, was his No. 1 effort. He presented his conception of the scope of insurance supervision in a masterful way and explained with enough, but not cumbersome detail, the objectives in the proposed new insurance code for Illinois, to be presented at the 1935 session of the legislature. When he concluded, he was given a great hand.

H. A. Behrens, president of the Continental Casualty and Continental Assurance of Chicago, presided and James S. Kemper, head of the Lumbermen's Mutual Casualty of Chicago, also talked briefly. Mr. Behrens is head of the insurance division and Mr. Kemper chairman of its executive committee.

#### First Specific Information

This was the first time that anything specific as to the proposed insurance code had been disclosed and Mr. Palmer was therefore attentively heeded by those in all branches of the business. Incidentally Mr. Behrens expressed the belief that this was the largest gathering of insurance men of all branches that had ever been held in Illinois.

Drafts of the tentative proposed code, Mr. Palmer said, will be available about Nov. 1. The plan is to start hearings before the legislative commission about the middle of November. Senator Barbour, one of the old timers in the Illinois legislature, who is a member of the commission, was among those at the luncheon.

Mr. Palmer presented a thumb nail sketch of the code, about like this:

So far as life insurance is concerned nothing very drastic or startling is being proposed. Life insurance companies, he pointed out, are now subjected to a strict and fair investment act, which was passed last year at his instance. Important changes are not needed in the life insurance laws. They are pretty well up to date. If they had been effectively administered, the life insurance laws would have been sufficient to have prevented the catastrophe of life insurance company failures that occurred in Illinois in the past few years.

#### Mutual Benefit Concerns

The code does propose great improvement in the laws governing the operations of so-called mutual benefit concerns. These are the outfits operating on a dollar a month, post mortem basis, which greatly resemble the mushroom in origin and demise. About 48 of these mutual benefits have already been put out of business during Mr. Palmer's administration. Thirty-three of them are in receivership. About 99 are left, some are being properly managed, according to Mr. Palmer. He characterized about one-third of those that remain, however, as pure "rackets." The code, he said, would prohibit the organization of any new mutual benefit concerns. Ash-

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## New England Mutual Makes Adjustment in 1935 Dividends

PRESIDENT SMITH COMMENTS

Lower Yield Ahead for Some Years and Demand for Conservative Stewardship Noted

A dividend adjustment for 1935, with dividend distribution of \$9,800,000 is announced by the New England Mutual. Interest factor to be used in the new policy dividend formula is 4½ percent instead of 4¼ percent as heretofore. The company has paid regular dividends without reduction since 1898, even throughout the depression years. President George Willard Smith in a statement of reasons for the 1935 change declares that save in 1918 and 1920, the years of the influenza epidemic, dividends paid were earned.

On the basis of the new formula, adjustments in dividends are made according to a graduated scale. Interest on trust funds left with the company and on dividends left on deposit is continued without change at 4¼ percent for the coming year.

#### President Smith's Statement

President Smith stated: "This year, as a result of increased holdings of government bonds at nominal interest, lower yields on current investments, and larger cash reserves in banks without interest, it appears that an adjustment in our dividend formula is desirable. This would not be a sufficient cause for an adjustment of scale if it were due to a temporary condition, or to one subject to our control, thus warranting a call upon surplus. It is probable, however, that despite any improvement in general business, interest re-

(CONTINUED ON PAGE 8)

## Life Insurance Portfolios Are Strongly Buttressed

TALK MADE BY DR. HUEBNER

Noted Educator Gives His Views on the Probable Future Interest Earning Rate

NEW YORK, Oct. 25.—Dr. S. S. Huebner, noted life insurance educator, was the guest speaker at the Metropolitan Field Club meeting of the Mutual Life of New York. Interest rates on investments are likely to continue low until the American people's speculative spirit, now thoroughly stifled, is revived, he said, predicting that interest rates will reach their former high levels again, but that whatever happens no portfolio of a depository institution is so well braced against a declining interest rate as life insurance is.

#### Effect Will Be Gradual

"True, if this movement lasts a long time, the life insurance portfolio will be affected," he conceded, "but it will be very much more gradual. It won't take place in 18 months for the simple reason that the life insurance portfolio is protected with maturities for many years into the future." Dr. Huebner cited a representative company's holdings to show how its maturities on investments are spread out over the next 50 years.

Other speakers were Assistant Superintendent of Agencies Walter F. Shaw, Assistant Actuary Walter Klem, Agency Managers J. S. Myrick and H. L. Taylor; David Lunden-Moore of the Cunningham agency, W. R. Julius, Taylor agency. Manager J. L. Kassoff conducted the afternoon session. Manager LeRoy Bowers was toastmaster at the dinner program.

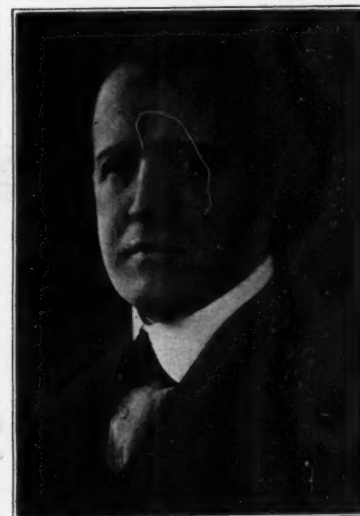
## Graham Named As Head of Institute

Equitable Life Official Elected President of Educational Organization

TO SUCCEED J. V. BARRY

Superintendent Van Schaick Speaks at Conference—Report Good Growth Throughout Country

NEW YORK, Oct. 25.—The Insurance Institute of America held its annual conference and luncheon here, W. J.



W. J. GRAHAM  
Vice-President Equitable Life, New York

Graham, vice-president Equitable Life of New York being elected president. Other new officers are: Vice-president, W. D. Winter; treasurer, L. E. Falls, vice-president American of Newark, and secretary, E. R. Hardy. The board of governors is: J. V. Barry, Frederick Richardson, C. R. Page, G. D. Markham, Sheldon Catlin, Ross McCain and C. H. Roloson, Jr.

The guest of honor at the luncheon was Superintendent G. S. Van Schaick of New York, who spoke briefly. He stated that the work of the institute is one of the most encouraging signs in the insurance business and wished the organization continued success.

#### President Barry Talks

Retiring President J. V. Barry also spoke, expressing his pleasure in expansion of the organization. He said that the part that company officials have played in the work has been most gratifying. T. J. Grahame, vice-president Globe Indemnity, read the report of the educational committee. Inland marine has been made an integral part of the study of fire and ocean marine courses for students receiving their final certificates in those subjects in 1937 and thereafter.

Following the treasurer's report, that of the secretary was read by Henry Moir, president United States Life. Mr. Hardy was unable to be present as he was called to Washington to a meeting of the Underwriters Association of the District of Columbia, an organization started by him 20 years ago. Comment was made in the secretary's report on the large percentage of high school graduates to receive final certificates from the Insurance Institute.

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## "The Room Upstairs"

During the days of uncertainty following the Morro Castle disaster we were hoping that Penn Mutual financial relief to the bereft would be widespread. A Philadelphian,—friend and business neighbor, who was an underwriter in other lines than life insurance,—was our only policyholder on board. He and his wife jumped into the sea, hoping for rescue. Together, in the darkness, for six despairing hours they swam, and at length reached a rescue boat, the husband dying as he was taken aboard. When starting on his journey the father said to his children:—"If anything happens to us, my life insurance policies are in the room upstairs." A daughter at age 16, and a son at age 6, are assured of welfare and education.

May we imagine that this father's last emotion was gratitude that his wife was safe, and his last thought was of her and the children and the life insurance policies in "the room upstairs."

### THE PENN MUTUAL LIFE INSURANCE CO.

WM. A. LAW, President

Independence Square

Philadelphia

## Shows Value of Combination Single Premium Contract

### SHOULD HAVE LASTING USE

**F. W. Ganse, Addressing Boston Trust Council, Tells Place of Annuity Insurance Policy**

BOSTON, Oct. 25.—Franklin W. Ganse, addressing the Boston Life Insurance Trust Council Tuesday evening, said the internal revenue department in Washington is about to issue new regulations, number 80, which would tighten up many interpretations of federal estate tax laws. The new law and its interpretation will affect life insurance in many ways, he said.

The single premium combination annuity and insurance policy should not be regarded as something of sporadic popularity, according to Mr. Ganse, but should become a part of the regular equipment of the life insurance man for his programming work. Its proper use, he said, is not necessarily confined to men of great wealth, but takes in also men of moderate means. As an example he cited the elderly man who had sufficient assets to convert his ordinary life

to paid up policies and an addition to be used for the single premium combination life insurance left to the wife might be used for purchase of the combination providing an income for her during life and leaving a substantial principal for her beneficiaries.

Mr. Ganse said the way to sell the combination is to introduce the idea of spread between the premium and the life insurance in proportion to the return desired by the buyer during life. The purchase is a sound one to avoid estate shrinkage, particularly for small estates, said Mr. Ganse. The increased sum paid for the life insurance would almost invariably be less than estate shrinkage on the amount of the life insurance plus annuity provided that amount were left in the form of any other kind of property.

Eleven companies are now issuing the single premium combination in Massachusetts for maximum amounts ranging from \$100,000 to \$500,000. It is possible in Massachusetts to place \$1,500,000 and up to ages 80 and 85 the life insurance examination is usually perfunctory.

Basil Collins of the Old Colony Trust Company reviewed the evolution of the uniform insurance assignment form and discussed legal phases of assignments to banks for protecting loans.

Lester Von Thurn, manager life department of John C. Paige Co., presided.

## Actuarial Society Holds Its Mid-Year Meeting

### J. G. PARKER GIVES ADDRESS

**President's Talk Is Explanation of the Banking System in Canada and Recent Changes**

The semi-annual meeting of the Actuarial Society of America was held in Washington last week.

The presidential address was delivered by J. G. Parker, actuary of the Imperial Life of Canada. He told something about the banking system in Canada and the changes contemplated in the banking structure by the legislation of 1934. In the various crises of the past five years, he pointed out, the Canadian banks have functioned with a remarkable efficiency, doing much to assist in maintaining the confidence of the nation in a time of great financial stress.

#### Subject of Much Study

The Canadian banking system, he said, has been one which has been studied by economists and bankers of every nation and consequently any change such as that recently inaugurated under the act to incorporate a central bank in Canada, with the consequent changes in the bank act, must be of interest to the Actuarial Society.

New papers were presented by R. B. Robbins of the Teachers Insurance & Annuity and C. A. Taylor of the Life of Virginia. The title of Mr. Robbins' paper was: "Osculatory Curve of Minimum Degree Using Methods of Lidstone's Demonstration."

Mr. Taylor presented a paper on "Mortality by Pulse Rates, Scales and Parental History."

He told what the Life of Virginia had done to test the theory that among presumably standard risks there may be certain groups producing unfavorable mortality from diseases of the heart, kidneys and blood vessels, that the offending groups might be selected out by close attention to combinations of slightly unfavorable factors, although each unfavorable factor by itself may be within normal limits.

#### Conclusions Are Given

An investigation was made of the mortality experience of about 25,000 policies issued at standard rates some years ago by the Life of Virginia. The tentative conclusions are:

That a pulse rate over 80 is slightly unfavorable and when combined with over weight or under weight should be looked into carefully.

That a pulse rate under 70, when combined with either over weight or a parental death, from disease of the heart, kidneys or blood vessels, may indicate a serious impairment.

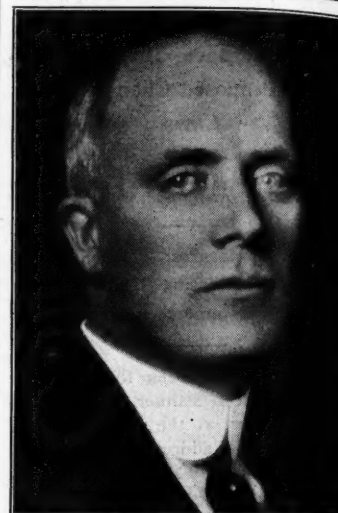
That a parental death from disease of the heart, kidneys or blood vessels is an unfavorable factor and when combined with either over weight or a pulse rate higher than 80 is to be highly suspected.

Following the presentation of new papers, there was discussion of papers presented at the previous meeting. This was followed by the informal discussion.

## Michigan Agency Leaders Meeting With Commissioner

LANSING, MICH., Oct. 25.—A special council of 12 Michigan agency leaders is conferring this week with Commissioner C. E. Gauss regarding departmental policies and future legislation. Solutions for correcting unethical practices in life underwriting will be considered and plans made to bring about closer coordination between agents and the insurance department.

## Presides at Meeting of Actuarial Society



**J. G. PARKER**

J. G. Parker, actuary of the Imperial Life of Canada, presided at the semi-annual meeting of the Actuarial Society of America in Washington, as president of the organization. His presidential address was an outline of the banking system in Canada and the changes contemplated in the banking structure in that country by the 1934 legislation.

## National Aid Society Cited

**Michigan Department Contends It Can Not Operate in That State Without License**

LANSING, MICH., Oct. 25.—The National Aid Society of Springfield, Ill., which, without knowledge of the insurance department, obtained authorization as a non-profit corporation through the secretary of state's office last month, has been cited to appear Nov. 2 for hearing as to why its certificate should not be revoked.

#### Claims Law Is Being Violated

The insurance department, which has consistently fought organizations of this type, learned that the Springfield institution was sending to its unlicensed agents in this state photostatic copies of its certificate of authority with the annotation that this should be shown prospects to contradict statements of the insurance department and better business bureaus that it was unlicensed. In view of the fact that the association issues contracts providing for benefits up to at least \$1,000, insurance department officials say it is apparent that it is operating in violation of the statute under which it was authorized as that law limits benefits to \$150.

#### Complaint from Detroit

The department coincidentally has just received a complaint from Detroit to the effect that the National Aid refused to pay a \$1,000 death claim there on the ground that the insured died of an ailment from which she was suffering when she became a member. Counsel for beneficiaries of the insured, however, informed the department no application was ever signed and no representations were made regarding physical condition before issuance of the contract. It was further stated that agents of the society were canvassing from house to house in open violation of the agents' licensing laws.

H. S. Young of Marion, O., a director of the Ohio State Life, has been appointed common pleas judge to fill a vacancy. He also has been nominated on the Democratic ticket to make the race in the November election.

# RISK

Life insurance companies accept thousands of risks daily, yet paradoxical as it may seem, they are the safest financial institutions in the world.

After nearly thirty years of operation the actual to expected mortality of the Midland Mutual Life is 39.9% of the expected.

A wide margin of safety based on the law of averages makes insurance doubly sure.

**The Midland Mutual Life Insurance Company**  
Columbus, Ohio





## California Insurance Men Really Aroused by Sinclair

### HOLD MANY MASS MEETINGS

Company Officials, Commissioner Mitchell of California and Others Speak Against EPIC Plan

SAN FRANCISCO, Oct. 25.—A strong statement opposing Upton Sinclair's candidacy for governor of California and his EPIC plan, and urging election of F. F. Merriam, now acting governor was made by the East Bay Association of Insurance Agents following a series of meetings in this city sponsored by underwriters' and brokers' groups for the purpose of stimulating the opposition to Sinclair.

The notice to members which was widely distributed related that for the first time in its history the association was actively and publicly supporting the election of two candidates for political office, Mr. Merriam for governor and G. J. Hatfield for lieutenant-governor. "This action must not be considered as starting a precedent for the association to engage in future political affairs. It is only that the association is defending the very foundations and principles of the insurance business from complete chaos and destruction," the notice states.

#### Great Threat to Business

"In the candidacy of Upton Sinclair the insurance business is faced with the most dangerous threat to its orderly progress and civic development that has ever appeared in this state. Regardless of whether Mr. Sinclair's proposed plans would be carried out in full or not in event of his election, it is evident that the insurance business would be burdened with the most demoralizing and impractical schemes from which it would never recover. It is essential that every person in the insurance business stand united against Upton Sinclair."

A few days previously the Los Angeles Insurance Exchange issued a similar message. All of the messages comment on Sinclair's statement in one of his EPIC booklets, "The same thing applies to the insurance business. Under a state system, insurance becomes a superfluity, because the state has ample capital to cover its own losses. Insurance men, an educated and thinking group, will be welcomed as administrators under the EPIC system; or they may continue to serve the private system and await developments."

#### Commissioner Is Spenser

Last week Insurance Commissioner E. Forrest Mitchell addressed general agents and managers of life companies, stressing seriousness of the situation and requesting life executives to get actively into the fight to stem the radical tide which, he said, would wipe out insurance as well as industry.

J. B. Levison, president Fireman's Fund group, addressed 200 members of the Insurance Brokers Exchange emphasizing the conditions. There was another gathering of nearly 500 persons held under auspices of the San Francisco Life Underwriters Association. Fire and casualty brokers and company men were present in addition to life agents and executives, this meeting also being addressed by Mr. Levison. F. V. Keesling, vice-president West Coast Life, described Mr. Sinclair as "the greatest twister that has ever threatened the life insurance business." B. F. Mitchell, general agent General American, and W. R. Spinney, president of the association, also spoke.

#### Many Meetings Are Held

In Los Angeles and neighboring communities similar meetings were being held, and also in San Jose, Sacramento, Fresno and San Diego. The newly formed California State Association of

Life Underwriters is actively engaged in the fray and is querying all candidates to the state legislature as to their position.

In his addresses Mr. Levison appealed for funds to aid in carrying the true meaning of Sinclairism to the public. He stated that never in the state's history has there been a menace comparable to the EPIC threat, and that if insurance does not oppose it vigorously, the business will be practically doomed in California. He expressed fear that other radicals of the Sinclair type in other sections of the country would rise and carry on similar radical campaigns. Mr. Keesling expressed similar views. He called upon all insurance interests to throw support to California underwriters in stopping the trend where it started—in southern California.

#### Life Underwriters Confer

Kellogg Van Winkle, president California State Association of Life Underwriters, met with officers of the San Francisco association further to coordinate efforts throughout the state. It is understood plans are being made for the formation of a California Policyholders Protective League to contact all life insurance policyholders in the state, explaining the effect Sinclairism may have upon the value of their policies.

## Report Dec. 1 on Old Age Pensions, Job Insurance

### ACTUARIAL HELPERS BUSY

Committee on Economic Security Is Expected Soon to Make Its Recommendations to the President

WASHINGTON, Oct. 25.—President Roosevelt on Dec. 1 will receive recommendations for legislation embodying unemployment insurance, old age pensions and other phases of his social program from the committee on economic security, which for the past two months has been engaged in a study of these subjects.

The committee is headed by Secretary of Labor Perkins, the other members being Secretary of Agriculture Wallace, Secretary of the Treasury Morgenthau, Attorney General Cummings and Federal Relief Administrator Hopkins.

In asking this group to undertake its studies, the President requested that its report and recommendations be placed in his hands by Dec. 1, in order that he might have time to study it and outline

the legislation he desired before Congress meets in January.

A considerable organization has been created by the committee, and a number of persons who have studied various phases of social insurance, among them Profs. H. L. Rietz of the University of Iowa and J. W. Glover of Michigan University, and A. H. Mowbray, University of California, and M. A. Linton, president Provident Mutual Life, have been appointed as actuarial consultants.

While members of the committee refuse to discuss their work in advance of the submission of their report to the President, it has been learned that several proposals have been advanced for unemployment insurance and old age pensions. At least one of these plans, it is understood, contemplates that the government should bear the entire burden, while others call for the splitting of the cost between government and industry and still others call for industry to bear the cost while the government undertakes administration of the new laws which would be necessary were such a program undertaken.

President Roosevelt, himself, is represented as leaning toward some plan under which industry and labor would bear the major cost of the unemployment insurance, and it is not considered

(CONTINUED ON PAGE 13)

# strength



Continental growth and expansion, ever conservative in the interests of stability, has made haste slowly. Firm financial foundation was, and is, the first consideration.

Today Continental capital, surplus, resources and special reserves are more than adequate to withstand the most severe financial and economic disturbance. Continental DURABILITY is *beyond* questioning.

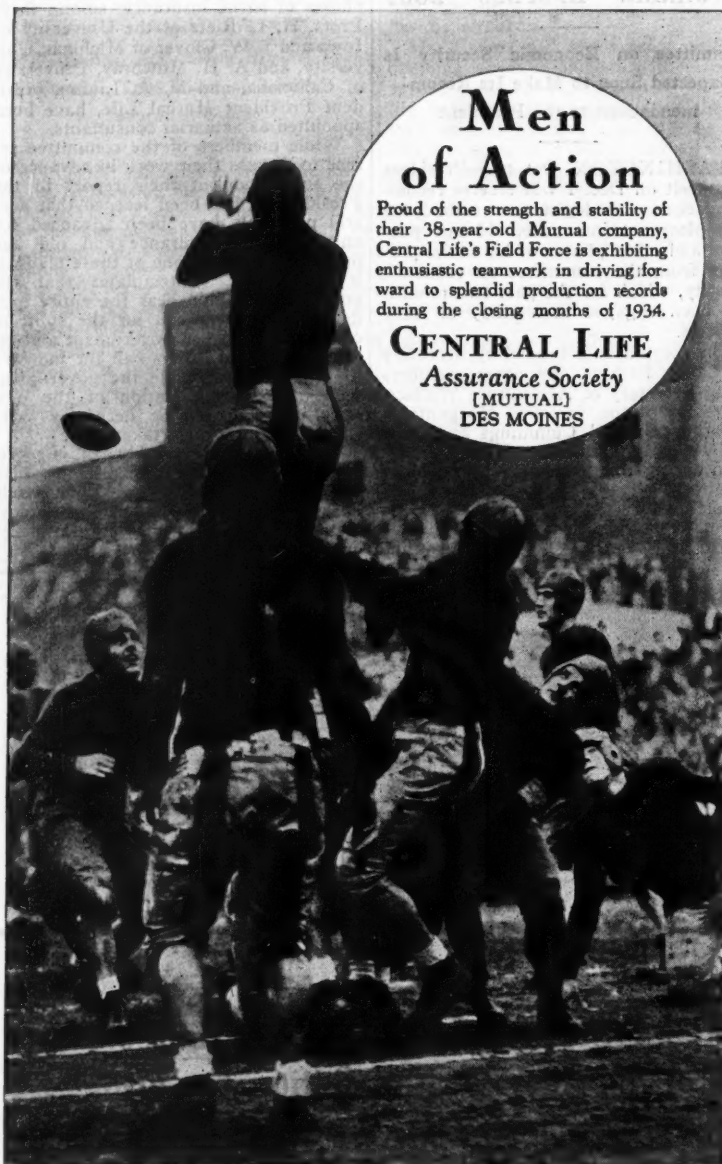
The value of such strength is apparent to progressive agencies.

## CONTINENTAL CASUALTY COMPANY || ASSURANCE COMPANY

CHICAGO

Insurance and Surety Bonds or Practically Every Purpose

CALIFORNIA - WESTERN STATES LIFE



## Men of Action

Proud of the strength and stability of their 38-year-old Mutual company, Central Life's Field Force is exhibiting enthusiastic teamwork in driving forward to splendid production records during the closing months of 1934.

**CENTRAL LIFE**  
Assurance Society  
(MUTUAL)  
DES MOINES

## Factors of Choice

In choosing a company for permanent connection a life underwriter should consider:

1. Has it outstanding stability?
2. Does it extend all the forms of modern life insurance service?
3. Does it operate in a territory enjoying solid recovery from general economic distress?
4. How does its field staff measure up as to quality production?
5. Is it favorably and widely known within its operating territory?

We have the answers to these and all other questions the underwriter of character may wish to ask.

**CALIFORNIA-WESTERN STATES LIFE**

O. J. Lacy, Pres.

Sacramento

## NEW ENGLAND MUTUAL DIVIDEND SCALE

(CONTINUED FROM PAGE 5)

ceipts will be affected for several years. The investment portfolio of the company has withstood all shocks of the depression remarkably well, and bonds in default and foreclosed mortgages bear a very small ratio to the total of our investments.

"The New England Mutual has always regarded as a valuable asset the confidence of policyholders in its stewardship. This confidence will be strengthened, we believe, by the conservative dividend adjustment for 1935.

### Main Concern Is Conservatism

"The sentiment connected with our long unbroken dividend record would offer an easy excuse for continuing our scale unchanged yet another year, eventual as it will be to us because of the celebration of our charter centenary in April, 1935. But an even stronger sentimental consideration is to substantiate the well founded belief of our policyholders that the officers and directors of the company are administering its affairs in the best interests of conservative trusteeship. This is our governing thought.

"The dividend history of this company is a source of great satisfaction to all of us, and it is unusual even among life insurance companies. \* \* \* It appears now that the full amount required for our regular dividend scale will not be earned this year."

The dividend action is said to be a reduction which at age 35 of issue on ordinary life form over a 20-year period would amount to about 17 percent lower dividends than on the present scale; term reduction averaging about 6 percent. The cuts are less at older ages.

The new 1935 dividend scale for more popular forms is:

Age	Dividend Year				
	1	5	10	15	20
20.....	4.89	5.28	5.87	6.41	7.23
21.....	4.94	5.33	5.96	6.53	7.31
22.....	4.99	5.40	6.05	6.66	7.41
23.....	5.02	5.46	6.15	6.80	7.52
24.....	5.07	5.54	6.25	6.97	7.63
25.....	5.12	5.60	6.38	7.04	7.76
26.....	5.18	5.68	6.46	7.13	7.90
27.....	5.23	5.77	6.53	7.22	8.03
28.....	5.30	5.85	6.64	7.32	8.19
29.....	5.36	5.95	6.74	7.43	8.36
30.....	5.43	6.05	6.84	7.56	8.56
31.....	5.51	6.11	6.88	7.69	8.75
32.....	5.58	6.23	7.01	7.84	8.96
33.....	5.68	6.30	7.14	7.99	9.18
34.....	5.76	6.44	7.25	8.16	9.46
35.....	5.85	6.54	7.37	8.35	9.76
36.....	5.97	6.65	7.40	8.56	10.08
37.....	6.08	6.76	7.55	8.77	10.40
38.....	6.21	6.89	7.64	8.99	10.73
39.....	6.34	6.98	7.76	9.28	11.09
40.....	6.50	7.14	7.96	9.60	11.46
41.....	6.65	7.16	8.16	9.93	11.84
42.....	6.73	7.18	8.38	10.28	12.24
43.....	6.81	7.33	8.60	10.64	12.66
44.....	6.92	7.51	8.85	11.02	13.07
45.....	7.04	7.70	9.12	11.42	13.51
46.....	7.06	7.80	9.32	11.84	13.97
47.....	7.08	7.90	9.60	12.27	14.44
48.....	7.14	8.00	9.90	12.73	14.92
49.....	7.21	8.11	10.20	13.20	15.42
50.....	7.23	8.23	10.53	13.76	15.92
51.....	7.24	8.34	10.94	14.21	16.45
52.....	7.33	8.54	11.40	14.75	16.97
53.....	7.42	8.82	11.88	15.31	17.51
54.....	7.52	9.12	12.37	15.88	18.02
55.....	7.69	9.44	12.89	16.48	18.55
56.....	7.88	9.77	13.44	17.10	19.09
57.....	8.18	10.12	14.02	17.74	19.61
58.....	8.59	10.60	14.63	18.38	20.15
59.....	9.05	11.11	15.26	19.02	20.72
60.....	9.55	11.66	15.91	19.67	21.30
61.....	10.08	12.24	16.60	20.34	21.94
62.....	10.67	12.86	17.31	21.01	22.58
63.....	11.28	13.51	18.03	21.71	23.26
64.....	11.94	14.20	18.77	22.45	23.88
65.....	12.65	14.91	19.51	23.22	25.95

### 20 Payment Life

Age	1	5	10	15	20
20.....	4.99	5.78	7.01	8.37	10.09
21.....	5.03	5.84	7.10	8.49	10.21
22.....	5.08	5.90	7.19	8.62	10.31
23.....	5.12	5.97	7.29	8.76	10.43
24.....	5.17	6.04	7.39	8.92	10.56
25.....	5.21	6.11	7.51	9.00	10.69
26.....	5.28	6.18	7.59	9.10	10.85
27.....	5.33	6.27	7.67	9.20	10.99
28.....	5.39	6.35	7.77	9.31	11.15
29.....	5.46	6.45	7.87	9.42	11.32
30.....	5.52	6.55	7.97	9.55	11.51
31.....	5.60	6.61	8.02	9.69	11.79
32.....	5.68	6.72	8.13	9.83	11.99
33.....	5.76	6.79	8.26	9.97	12.09
34.....	5.85	6.92	8.36	10.13	12.32
35.....	5.95	7.01	8.48	10.31	12.67
36.....	6.06	7.12	8.51	10.50	12.83
37.....	6.17	7.23	8.65	10.69	13.09
38.....	6.29	7.34	8.74	10.88	13.35
39.....	6.43	7.44	8.84	11.13	13.62
40.....	6.58	7.58	9.03	11.41	13.91

Age	Dividend Year				
	1	5	10	15	20
41.....	6.73	7.60	9.20	11.69	14.20
42.....	6.81	7.62	9.40	11.97	14.49
43.....	6.89	7.76	9.60	12.27	14.79
44.....	7.00	7.92	9.81	12.59	15.08
45.....	7.11	8.10	10.05	12.91	15.39
46.....	7.14	8.19	10.23	13.61	15.71
47.....	7.15	8.28	10.48	13.61	16.02
48.....	7.21	8.37	10.74	13.98	16.34
49.....	7.28	8.47	11.00	14.36	16.66
50.....	7.29	8.57	11.28	14.75	16.91
51.....	7.30	8.67	11.65	15.17	17.31
52.....	7.39	8.85	12.05	15.60	17.64
53.....	7.47	9.12	12.47	16.06	17.97
54.....	7.57	9.40	12.90	16.52	18.29
55.....	7.74	9.69	13.37	17.01	18.62

### 20-Year Endowment

Age	1	5	10	15	20
20.....	5.18	6.80	9.30	12.33	15.86
21.....	5.22	6.84	9.35	12.36	15.88
22.....	5.27	6.88	9.39	12.41	15.91
23.....	5.30	6.92	9.44	12.46	15.94
24.....	5.34	6.98	9.49	12.52	15.98
25.....	5.38	7.02	9.55	12.54	16.01
26.....	5.44	7.07	9.59	12.58	16.06
27.....	5.49	7.13	9.62	12.60	16.08
28.....	5.55	7.19	9.67	12.64	16.12
29.....	5.61	7.26	9.71	12.67	16.16
30.....	5.66	7.33	9.76	12.72	16.21
31.....	5.75	7.37	9.77	12.77	16.25
32.....	5.81	7.46	9.83	12.82	16.30
33.....	5.89	7.50	9.90	12.88	16.35
34.....	5.98	7.60	9.94	12.94	16.40
35.....	6.07	7.67	10.00	13.01	16.46
36.....	6.18	7.75	10.00	13.09	16.52
37.....	6.28	7.83	10.07	13.18	16.58
38.....	6.40	7.92	10.11	13.26	16.64
39.....	6.53	7.98	10.13	13.39	16.71
40.....	6.68	8.10	10.28	13.53	16.79
41.....	6.82	8.11	10.39	13.68	16.87
42.....	6.89	8.21	10.52	13.83	16.95
43.....	6.97	8.31	10.65	14.00	17.02
44.....	7.07	8.34	10.80	14.18	17.11
45.....	7.18	8.49	10.97	14.38	17.23
46.....	7.20	8.56	11.09	14.59	17.34
47.....	7.22	8.62	11.27	14.82	17.45
48.....	7.27	8.69	11.47	15.07	17.57
49.....	7.33	8.77	11.66	15.33	17.70
50.....	7.34	8.85	11.89	15.60	17.83
51.....	7.35	8.92	12.19	15.91	17.98
52.....	7.43	9.08	12.53	16.23	18.18
53.....	7.52	9.32	12.89	16.58	18.30
54.....	7.61	9.58	13.26	16.95	18.47
55.....	7.78	9.85	13.68	17.35	18.66

### Retirement Income at 60

Age	1	5	10	15	20
20.....	5.00	5.83	7.12	8.56	10.37
21.....	5.05	5.92	7.27	8.79	10.63
22.....	5.10	6.01	7.43	9.04	10.92
23.....	5.14	6.11	7.60	9.30	11.23
24.....	5.20	6.22	7.78	9.58	11.57
25.....	5.25	6.32	7.98	9.82	11.92
26.....	5.32	6.43	8.15	10.08	12.31
27.....	5.38	6.56	8.33	10.35	12.71
28.....	5.46	6.69	8.53	10.65	13.15
29.....	5.53	6.84	8.74	10.96	13.62
30.....	5.60	6.99	8.97	11.32	14.13
31.....	5.70	7.11	9.16	11.70	14.67
32.....	5.78	7.28	9.43	12.11	15.25
33.....	5.88	7.42	9.71	12.55	15.87
34.....	5.98	7.63	9.99	13.02	16.58
35.....	6.09	7.80	10.31	13.55	17.37
36.....	6.22	8.00	10.59	14.12	18.25
37.....	6.35	8.20	10.96	14.72	19.29
38.....	6.50	8.48	11.33	15.38	20.44
39.....	6.65	8.64	11.75	16.10	22.41
40.....	6.83	8.92	12.26	16.92	23.93
41.....	7.00	9.06	12.80	18.11	.....
42.....	7.11	9.32	13.39	19.42	.....
43.....	7.23	9.65	14.04	20.89	.....
44.....	7.38	10.03	14.76	22.52	.....
45.....	7.54	10.45	15.56	24.37	.....
46.....	7.62	10.86	16.45	.....	.....
47.....	7.71	11.31	17.45	.....	.....
48.....	7.84	11.84	19.62	.....	.....
49.....	8.00	12.45	21.68	.....	.....
50.....	8.14	13.20	24.14	.....	.....

### Five-Year Term

Age	1	2	3	4	5
20.....	3.53	3.55	3.57	3.59	3.61
21.....	3.55	3.57	3.59	3.61	3.63
22.....	3.58	3.60	3.62	3.64	3.66
23.....	3.60	3.62	3.64	3.66	3.69
24.....	3.63	3.65	3.67	3.70	3.72
25.....	3.66	3.68	3.71	3.73	3.76
26.....	3.68	3.71	3.73	3.76	3.79
27.....	3.72	3.74	3.77	3.80	3.83
28.....	3.75	3.78	3.81	3.84	3.88
29.....	3.78	3.81	3.84	3.88	3.92
30.....	3.82	3.85	3.89	3.93	3.97
31.....	3.86	3.90	3.95	3.98	4.02
32.....	3.91	3.95	3.99	4.03	4.08
33.....	3.96	4.00	4.04	4.09	4.15
34.....	4.01	4.05	4.10	4.16	4.22
35.....	4.07	4.13	4.19	4.24	4.26
36.....	4.09	4.15	4.20	4.25	4.27
37.....	4.11	4.17	4.21	4.26	4.28
38.....	4.14	4.19	4.22	4.27	4.29
39.....	4.17	4.21	4.24	4.28	4.31
40.....	4.20	4.23	4.26	4.29	4.3



## Palmer Tells the Code Provisions

(CONTINUED FROM PAGE 5)

ton E. Campbell, president of the United Mutuals of Illinois, the organization of mutual benefits, was at the speakers' table.

In addition to the domestic mutual benefit concerns, the state is plagued by the operations of such outfits from other states, which sell by mail. Federal regulation is needed to prohibit use of the mails by such concerns and Mr. Palmer expressed the hope that such measures will be passed.

So far as Illinois is concerned, the new code would provide that no Illinois company could transact business in any other state, without being licensed in such state, and no foreign company could operate in Illinois, which transacts an unlicensed business in any other state. This was a most significant announcement, because of the great current interest in measures to curtail the operations of unlicensed carriers of one kind and another.

So far as fraternalism is concerned, he said the legislation is pretty fair. Nothing radical will be proposed along these lines, although there will be some actuarial measures, providing a new test of solvency.

In the accident and health field, nothing very drastic is being proposed.

He remarked that there is no reason why any branch of insurance should not be amenable to the general laws governing all classes of insurance.

Another important disclosure, which brought applause from the life insurance people in the audience, was that the code proposes to license "advisory rating organizations."

Mr. Palmer went on to say that the code would provide that approval must be given to all policy forms. At present there are no policy laws in Illinois. However, the department on its own

initiative some time ago started requiring companies to submit their policies and get them approved. It has not been determined whether the proposal will be to have statutory policies or merely provision that policies must get the approval of the insurance department.

Another proposal will be to require life and accident and health companies to send notice of premiums due to policyholders.

So far as taxation is concerned, there is no intention to ask for an increase.

The retaliatory laws will be strengthened and clarified.

An attempt will be made under the code to get some control over advertising of insurance companies on the radio and in newspapers.

The department will ask to be given the power to subpoena witnesses and put them under oath. The receivership statute will be strengthened and a rehabilitation law, modeled after that of New York, will be asked. Under this section, the insurance director would be the receiver or rehabilitator in all cases.

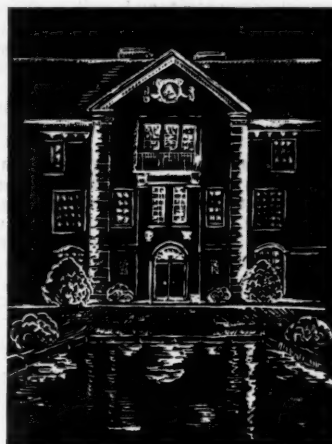
In his introductory remarks, Mr. Palmer said the Illinois Chamber of Commerce was largely instrumental in causing the insurance department to be made autonomous and separate from the department of trade and commerce.

The functions of insurance supervision, he said, are:

To see that Illinois insurance companies are sound and honestly managed and that foreign companies, operating in Illinois, meet the same standards that are imposed upon Illinois companies.

To see that any insurance contract is fair and reasonable and that the policyholder gets what he pays for.

To see that the producing forces are



## Fully Equipped to Better Serve

Backed by over 31 years of experience and growth, PILOT LIFE is able to offer an unusually complete life insurance service.

A steadily expanding Industrial division brings protection to those who need it most — the wage earners.

This, with an expanding Ordinary division, means the ability to serve the worker who can invest but a few cents a week, or the financially able, desiring a complete and modern insurance program running into many thousands.

J. M. WADDELL  
Agency Manager

EMRY C. GREEN  
President



**PILOT LIFE**  
INSURANCE COMPANY  
GREENSBORO, N.C.



## The National Life and Accident Insurance Company

- ... Made More Growth Than Any Other Company in 1933
- ... Has Made More Growth First Six Months, 1934, Than It Made During the Entire Record-Breaking Year of 1933

AMONG MORE THAN THREE HUNDRED COMPANIES IN THE UNITED STATES AND CANADA—

### THE NATIONAL RANKS—

FIRST—On increase in Industrial Insurance in force for 1933.

FIRST—On increase in Ordinary Insurance in force for 1933.

FIFTH—On total number of policies in force.

SEVENTH—On total Industrial Insurance in force.

ELEVENTH—On new Life Insurance written during 1933.

GROWTH FIRST SIX MONTHS, 1934, ALMOST FOUR TIMES THAT FOR FIRST SIX MONTHS, 1933  
HERE ARE THE COMPARATIVE FIGURES  
NEW PAID BUSINESS

	First Six Months 1934	First Six Months 1933
Industrial .....	\$73,477,698.00	\$59,516,118.00
Ordinary .....	29,052,054.00	16,722,657.00
Total .....	\$102,529,752.00	\$76,238,775.00
INCREASE IN INSURANCE IN FORCE		
	First Six Months 1934	First Six Months 1933
Industrial .....	\$22,214,000.00	\$ 7,866,815.00
Ordinary .....	15,397,780.00	2,525,409.00
Total .....	\$37,611,780.00	\$10,392,224.00

First Among All in 1933

Growing Greater Every Day

Shielding Millions — Are We Shielding You?

**The National Life and Accident Insurance Company, Inc.**

HOME OFFICE

NATIONAL BUILDING

NASHVILLE, TENN.

# COMMONWEALTH CORDIAL CO-OPERATION

## PROVEN STABILITY... STRENGTH...SECURITY

**STABILITY . . .** proven by a history of thirty years successful life insurance experience; of capable and efficient management, and steady and consistent growth . . . by having given at all times the fullest protection possible at the fairest cost consistent with safety . . . by having pursued a policy of square-dealing with its policyholders and its agents.

**STRENGTH . . .** proven by total assets of \$14,860,977.00 (Dec. 31, 1933) the largest in the company's history . . . total insurance in force \$115,048,145.00 a net increase in 1933 of \$2,363,000.00, one of the few companies to show a gain.

**SECURITY . . .** proven by ratio of \$1.20 in assets for every \$1.00 of liabilities . . . this "protection margin" has been the same for the past 3 years . . . rated "A" excellent.

**AGENTS —** If interested in representing a company of proven stability, strength and security, write for information regarding our unique contract.

L. Smith Homans, Vice-President

**COMMONWEALTH  
LIFE INSURANCE CO.  
LOUISVILLE, KY**

honest, competent and well qualified.

Mr. Palmer said that he has been working on a new insurance code since June, 1933. He invited all insurance organizations to submit their ideas. The responses were very few. He attributed this to the fact that most insurance company organizations worship the status quo. Insurance legislation in the past has been of a piece-meal nature, being prompted by personal motives or savoring of special interest. They were mangled in the legislature. Therefore the insurance companies although not being content with what they have, fear unknown legislative bills. They decided to let the department draft the code and then take a shot at it afterward.

In drafting the code, Mr. Palmer said he has created a "junior league brain trust." Much of the work has been done by two University of Illinois professors, Goble and Dickinson.

Mr. Palmer undertook to answer why a revision of the code is necessary. He said the effectiveness of any regulatory statute is 50 percent a matter of law and 50 percent a matter of administration. It is impossible to legislate honesty and integrity into officials of companies who are not honorably disposed. Strict supervision is necessary, he said, so long as there are those who protect their own fortunes with policyholders' trust funds. The administrator should be sane and temperate, courageous and able to keep a sensible balance, realizing that he is not supposed to run the insurance business.

Mr. Palmer said the new code won't be a cure all or bring about the millennium. If efficiently handled, the proposed code would be an instrument to prevent the occurrence of many things that have happened in the last few years.

### Attitude of Department

He said he takes issue with those who contend that legislation is no concern of the insurance department. He said he regards it as the duty of the insurance department to study the flood of insurance bills which are introduced every year and give a criticism of them to the legislature. Furthermore the insurance department should initiate such bills, which are indicated as a result of experience. The insurance department should have a knowledge of the laws of other states where the Illinois companies operate. The department should have a record of supreme court decisions of interest to insurance in the various states. He said he expects to have in his office and in the attorney general's office as complete a compendium of insurance laws and higher court decisions as exists anywhere in the country.

The present insurance laws, which fill some 336 pages, are the result of 60 years of hodge podge. Many sections are obsolete. They are not properly indexed or arranged.

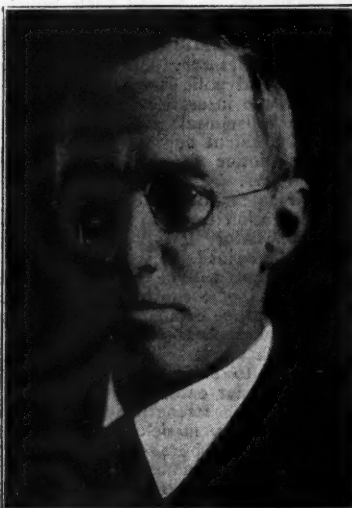
He undertook to give a conception of the scope of the department's activities. There are 585 fire insurance companies of all kinds operating in the state; 205 casualty companies, 139 fraternal, 138 legal reserve life companies and 99 mutual benefit concerns. The insurance department cannot keep in proper touch with these concerns so as to be able to give proper information to the public, with its present staff of 100 men.

### Remarks by Behrens

Mr. Behrens, in his introductory remarks, told how the Illinois Chamber of Commerce had cooperated in an effort to improve the insurance regulatory situation in Illinois. Last year the chamber of commerce embarked on a program to help bring about proper enforcement of the present insurance laws. The chamber has aided in redrafting the code. It is not committed to the code in whole cloth, before its publication, but will support the measures which it finds to be sound after study.

He introduced Mr. Kemper who remarked that except for those concerns unsound in investments or underwrit-

## Reveals Features of Proposed New Illinois Code



ERNEST PALMER

Ernest Palmer, insurance director of Illinois, made what is regarded by many as the best address of his career as the featured speaker at the luncheon sponsored by the insurance division of the Illinois Chamber of Commerce. He revealed some of the features of the proposed new insurance code for Illinois, weaving that important information into a masterful speech.

ing, insurance has come through the depression creditably. He referred to the evil of "hidden taxes." Those, he said, are the levies which throttle business, but are not generally recognized by the public. Insurance policyholders particularly are the victims of such a tax.

### Tax Situation Analyzed

In Illinois, he pointed out about \$6,000,000 in insurance taxes are collected and about 5 percent goes for supervision. In New York, \$11,000,000 is collected and 8 percent goes to supervision. If the same ratio held true in Illinois, there would be available \$180,000 more for the Illinois insurance department.

At the head table were seated an array of insurance men, thoroughly representative of the various branches of the business in Illinois. Among those at the head table was Newton W. Rowell of Toronto, well known lawyer and politician, who represents the Canadian insurance companies. He was a guest of Mr. Behrens. The others at the head table included:

Paul E. Keller, vice-president Benefit Association of Railway Employees; E. M. Craig, president Builders Life; Ashton E. Campbell, president United Mutuals of Illinois; Harry Loomis, president Industrial Casualty; Shirley Moisant, secretary Illinois Association of Insurance Agents; H. M. Merriam, president Franklin Life; Louis E. Yager, president Chicago Board; Henry Abels, vice-president Franklin Life; Isaac Miller Hamilton, president Federal Life; Edwin A. Olson, president Mutual Trust Life; James S. Kemper, president Lumbermens Mutual Casualty; W. P. Robertson, associate manager North America; James F. Ramey, secretary Washington National; Norris Bokum, general agent Massachusetts Mutual Life; John Dill, manager Metropolitan Life, Carbondale, director Illinois Chamber of Commerce; Walt Tower, managing director Chicago Life Underwriters Association; J. L. Pickering, president Illinois Casualty; E. S. Ashbrook, president North American Life; Edwin F. Deicke, president Suburban Auto; Oscar W. Carlson, president Reliance Mutual Life; Francis L. Brown, president Rockford Life.

IN THE DISTRICT COURT OF THE STATE OF IOWA,  
IN AND FOR SCOTT COUNTY.

STATE OF IOWA, EX REL,  
EDWARD L. O'CONNOR,  
ATTORNEY GENERAL,

Plaintiff,

IN EQUITY  
No. 30156

vs.  
REGISTER LIFE INSURANCE  
COMPANY,

Defendant,

TO THE POLICYHOLDERS AND CREDITORS  
OF REGISTER LIFE INSURANCE COMPANY:

E. W. Clark, Commissioner of Insurance of the State of Iowa, as Receiver of Register Life Insurance Company, appointed and qualified in the above entitled cause, hereby gives notice as follows:

On the 7th day of April, 1934, an order was entered in the above entitled cause appointing E. W. Clark, Commissioner as aforesaid, as Receiver of Register Life Insurance Company, an Iowa corporation heretofore authorized to write policies of life insurance. The above entitled cause was commenced and said order was entered in accordance with the statutes and laws of the State of Iowa for such cases made and provided.

By subsequent orders entered in said cause it has been determined that the Company was insolvent and that its further continuance in business would be hazardous to the holders of its policies and to its creditors. By such orders it has further been determined that liquidation would deprive the policyholders of their insurance protection and preserve for them only their status as creditors in the liquidation based upon their respective policy cash values April 7, 1934. By an order entered September 28, 1934, in said cause the Court ratified, confirmed and finally approved a contract entered into between said Commissioner as Receiver and Guaranty Life Insurance Company, an Iowa corporation, with its principal place of business in the City of Davenport, Iowa, which provides for the reinsurance, as therein defined, of the policy liabilities of Register Life Insurance Company and which provides that the assets which have come into the hands of the Receiver shall be divided; that a percentage of the assets shall be delivered to Guaranty Life Insurance Company, based upon the claims of the policyholders who elect to avail themselves of the provisions of said contract; and that the balance of the assets shall be retained by the Receiver and liquidated for distribution to creditors of Register Life Insurance Company, including policyholders who dissent from said contract and elect to accept their share of the liquidating value of the assets based upon their respective policy surrender values April 7, 1934.

Each policyholder who desires to dissent and to accept his status as a creditor in the ordinary course of liquidation on the basis of the surrender value of his policy shall evidence that desire by making proof of claim in writing, sworn to and filed in triplicate with the Clerk of the District Court of the State of Iowa, in and for Scott County, on or before the 26th day of November, 1934. The original of said proof there shall be attached the policy upon which the claim is based. Said proof shall set forth the name and address of the claimant, the nature and number of each policy or contract in which the claimant asserts an interest, and the nature of the interest asserted therein, and shall indicate clearly that the claim is made for the amount payable thereon as of April 7, 1934, but need not detail said amount, which unless otherwise asserted shall be deemed the amount shown by the books of Register Life Insurance Company as of April 7, 1934.

Every policyholder who does not so dissent by filing claim within the time prescribed will be deemed to have accepted the benefits of the contract executed as aforesaid. In the same manner as though he had in writing signified his acceptance thereof, and his policy will be automatically assumed by Guaranty Life Insurance Company in accordance with the contract.

All creditors other than policyholders shall make proof of claim in writing, itemized and sworn to, and shall state with particularity the nature and origin of the claim asserted, the actual consideration thereof, when the same has become or will become due, whether any and what securities are held therefor, and whether any and what payments have been made thereon, and shall state that the sum claimed is justly due, that the claimant has not, nor has any person for his use, received any security or satisfaction whatever other than as set forth in said proof. Such proofs are to be submitted by filing three (3) copies thereof in the office of the Clerk of the District Court within the time hereinbefore prescribed, to-wit, on or before November 26, 1934.

Claims other than policy claims which are not filed in accordance with the foregoing, and the owners thereof, shall be debarred from participating in any dividend or distribution that may hereafter be made in the above entitled proceeding, or from any interest in and to the properties and assets administered by the Receiver in said cause, or any proceeds derived therefrom; provided, however, that the foregoing is without prejudice to the rights of persons whose claims are adjudicated in ancillary proceedings and which are allowed in the above entitled cause.

A policyholder who files his claim in an ancillary proceeding, but who does not file his claim in the above entitled cause within the time and in the manner prescribed, will be deemed to have assented to and become bound by said contract notwithstanding such filing in the ancillary proceeding. Provision has been made whereby claims filed in the above entitled proceeding and disallowed may be proved in one of several ancillary proceedings.

Of the foregoing all persons interested in the receivership of Register Life Insurance Company will take due notice.

E. W. CLARK,  
Commissioner of Insurance of the  
State of Iowa, as Receiver of  
Register Life Insurance Company.

COOK & BALLUFF, Attorneys,  
Davenport, Iowa.



## Group Sessions to Be Held at Research Bureau Meeting

### BASED ON COMPANIES' SIZE

E. A. Brock to Talk on Conservation,  
L. W. Morgan on Inter-department Relations

An important feature of the annual meeting of the Sales Research Bureau and the Association of Life Agency Officers Oct. 29-31 in Chicago will be a series of group sessions. The companies have been divided into five groups according to the amount of ordinary insurance in force and officials from companies in each of these groups will consider subjects, selected in advance, which especially interest them.

The group meetings are expected to form a valuable supplement to the regular sessions at which outstanding life insurance officials will speak. The programs of the group discussions are made as flexible as possible and their proceedings may be kept confidential if this is desired.

Members of the Sales Research Bureau staff will act as chairmen for the five group meetings and they are now working up the agenda in cooperation with those company representatives who are planning to be at Chicago. The chairmen are: John Marshall Holcombe, Jr., manager; H. G. Kenagy, assistant manager; L. J. Doolin, K. R. Miller and J. H. Wood.

#### Brock to Talk on Conservation

The time has come to stop temporizing and toying with the problem of conservation in the life insurance business, according to Eustace A. Brock, secretary of the Great-West Life, Winnipeg, who will speak on "Conservation in Agency Work." He says the persistency of business in the future depends very much on what is done today in writing this business. Whereas conservation work runs through the whole of a life insurance company's activities, yet, in Mr. Brock's opinion, it is essentially an agency department function. Furthermore, he says, it is his opinion that the underwriting departments of companies will, in the future, pay as much attention to probable persistency of business as to mortality.

#### Departments Must Cooperate

Ideal relations between the agency and underwriting departments of life companies can be best summed up by a single word—cooperation, in the opinion of L. W. Morgan, vice-president Pacific Mutual Life. Mr. Morgan will develop this interesting theme in an address, "Relations Between the Underwriting and Agency Department."

It is obvious, Mr. Morgan says, that without an agency department there can be no underwriting department because life insurance is something which is sold, not bought. The underwriters often have definite ideas about the sort of risks that are acceptable, or, more often, those which are not acceptable and an effort should be made to set up a routine through which the agency force of a company can keep in close touch with what the underwriters are doing. Mr. Morgan believes that much good can be done by having underwriters visit the field.

The results of a study by the Guardian Life of New York of a system of personal rating which may be used for selecting life agents will be presented by F. F. Weidenborner, Jr., superintendent of agencies. In checking the results of this method of selection, the Guardian Life stresses the fact that its study was purely experimental. The rating chart was applied only to men already in its employ. The point of great interest to other insurance men, it is felt, will be to see how the results predicted through the rating chart compared with the actual results realized.

## Much Interest in Proposal to License Company Raters

### ERNEST PALMER TELLS PLAN

Uncertain Whether Provision Would Apply to Such Organizations as A. M. Best & Co.

Much interest is being evinced by life insurance men in the precise nature of the provision in the proposed new Illinois insurance code requiring the licensing of "advisory rating organizations." That there is such a provision in the proposed code was made known by Insurance Director Palmer of Illinois in his address before the luncheon meeting in Chicago under the auspices of the Illinois Chamber of Commerce.

It would seem to be aimed at those individuals or organizations, which are going about the country, advising life insurance policyholders to drop their insurance and buy cheaper forms which they refer to as pure protection. These people are not licensed agents and claim

that they do not actually handle insurance. They make what they call an analysis and come out with a recommendation that the policyholder draw down his reserve in his present policies, buy term insurance and invest the surrender value of his old policies in gilt edged investments yielding 6 or 7 percent. They get a fee for making the analysis, but contend that they do not operate as an insurance agent or broker.

#### Started Rating Activity

In addition some of these people have started to rate companies, putting a large number in the "poor" class as a means of helping to persuade policyholders in such companies to drop their insurance and take new, cheap insurance, elsewhere.

Such operators have been a thorn in the flesh of legitimate life insurance people for some time. Some of them have their headquarters in Chicago, but extend their operations throughout the country. Inasmuch as they are not licensed, the insurance department has not been able to make a real investigation and take any action.

Mr. Palmer said the department wants the authority to investigate advisory rating organizations, which are making

comparisons between companies, etc., to find out whether they are giving disinterested, professional advice or whether they are "twisters."

Whether the nature of the proposed code would be such as to require the licensing of such an organization as the A. M. Best Company is uncertain. Mr. Palmer's remarks were interpreted as bearing more particularly on the type of person or organization that is out stirring up the policyholders.

## B. A. Million to Celebrate Twenty Years of Service

B. A. Million of Evansville, Ind., will complete 20 years of service with the Northwestern Mutual Life, Oct. 29, he now being general agent. The annual agency meeting will be held therefore in Evansville next Monday. The home office will be represented by Assistant Agency Director Urban Poindexter. On Sept. 1 Mr. Million's agency was ahead of its record for 1933 and has exceeded its quota to date. He became general agent at Evansville Jan. 1, 1928. He was formerly with the company at St. Louis, Decatur, Ill., and Louisville.

(Number 7 of a Series)

## The NEW Federal Reserve LIFE-TIME PLAN

### The Training Plan For Our Consultants

In September the first of our home office training schools is being held to equip our field representatives with the complete knowledge of the new LIFE-TIME Plan essential to their qualifying as true "policy-holders' consultants."

At these schools the entire concept of the plan is reviewed, its fundamental soundness explained, and its simple method of operation unfolded.

Specifically, these features of the LIFE-TIME Plan, distinctive from any sales and service program in life insurance, amplified:

1. Policyholder service and conservation effort, with the definite compensation for such work.
2. The procedure for a definite clientele selection and qualification.

3. The comprehensive, workable programming service for policyholders and clients.
4. The plan of special compensation for:
  - (a) better persistency of new business written.
  - (b) larger average sized policies.
5. The pension plan for qualified period of service.
6. The program for strict time and effort control.

Home office training schools are to be held at periodic intervals. We invite inquiry from life insurance men interested in enrollment.

Write to

George L. Grogan, Agency Vice-President

**FEDERAL RESERVE LIFE**  
**INSURANCE COMPANY**

ALEX C. GREEN  
President

GEORGE L. GROGAN  
Agency Vice-President

KANSAS CITY, KANSAS

### Principles

*We believe that the interests of Policyholders, Field Force and Company are exactly parallel,*

*We believe that wastage in the Life Insurance business is borne by Policyholders, Field Force and Company alike,*

*We believe that Standards of Performance are attainable which will eliminate waste, and*

*We believe that these principles should find expression in the relationship entered into between the Field Force and the Company.*

## Specializing in Correct Solutions for Individual Problems

*Whether it's a simple clean-up need or a many-sided financial program—*

### "THERE'S A PLAN THAT FITS"

Participating AND Non-Participating  
Standard Life and Endowment Policies  
Guaranteed-rate, minimum cost Estate Replenishment  
Retirement Income with Immediate Insurance  
Retirement Annuities and Life Annuities  
Family Income Protection  
"5-way" Life Insurance (Accident & Sickness benefits included)  
Sub-Standard Insurance  
Non-Cancellable Disability Income Protection  
Modern Accident Insurance—for men and women  
Medical Expense Reimbursement Plans

*The* **Pacific Mutual Life**  
Insurance Company OF CALIFORNIA  
Founded 1868

GEORGE I. COCHRAN, PRESIDENT

Home Office  
Los Angeles, California

Assets  
Over \$198,000,000

## ★ GUARDIAN LIFE ★ ★ NEWS ★

### "Junior Premium Guarantor" Makes Bow!

In the new Junior Premium Guarantor Contract Guardian Agents have an effective means of increasing interest in and facilitating the sale of insurance on the lives of the junior partners in the home—sons and daughters ten years of age and older.

Guardian men and women tell us that the contract is a winner. It helps close sales . . . it adds commission dollars.

**THE GUARDIAN LIFE**

INSURANCE COMPANY OF AMERICA

ESTABLISHED 1860

50 UNION SQUARE

NEW YORK CITY

## Riehle Sings New Agency Deal Song

(CONTINUED FROM PAGE 4)

he is a down and outer, whether he has at least 75 contracts, whether he is looking at insurance as a life career and whether he is willing to burn his bridges behind him.

"Indiscriminate recruiting, in the sense that we do so little recruiting that we have no selection and as a result take on anybody who wants to join up, should be barred."

Managers and general agents should consult each other freely, so as to eliminate chiselers. They should get credit reports on prospective agents.

Enough average talent is available and much will be accomplished if the business keeps out the less than average type.

"Let us find the balance between a healthy production and the common disease known as 'volumitis'."

Too much emphasis, he said, is on the new organization, the emphasis being on a volume basis only. The business should refuse to contract, on the basis of hope alone.

He suggested that a plan be set up in all life managers' associations appropriate to the territory. The idea should be to record much progress in five years and to make some progress immediately.

Although these questions cannot be settled uniformly on a national scale, he suggested the National Association of Life Underwriters be the point through which information is cleared and contact with companies is set up.

"What we need is a declaration of guiding principles," he declared, "a detailed plan, a chart, a national blue print, taking into consideration local situations, all striving by a bit different

means perhaps, to a common goal."

The life insurance business, he asserted, is spread too thin. The measure of damage is not so much the marginal 5 or 10 percent of business actually written by "chiselers" and incompetents but the greater volume which is never written due to the resistance created in the public mind.

"Too much attention has been paid to the addition of columns of figures rather than the problems of men."

### Examinations Not the Answer

Mr. Riehle said that although existing agency qualification laws, providing for written examinations, may be worth something, they are not the solution. The managers and companies themselves must solve the problem.

"We cannot go the whole hog in a minute but we can gradually skin the hog and receive all its by-products in time. If something is started, maybe something will be accomplished."

He urged support of the C. L. U. movement, sales research bureau and all sound psychological selection test surveys.

"Life insurance in the United States is 100 years old. It is time to act."

"The average producer should be assisted, not by educational ideas alone, but by opportunity, so that he may make a living, make a profit, have some fun in the process and enjoy some of the by-products of life."

Attached to the memorandum is an appendix showing what has already been done in various parts of the country in connection with the problem which were the subject of the memorandum.

## Fear Discounted In Some Quarters

(CONTINUED FROM PAGE 3)

merly. Many a 6 percent mortgage has been turned into a 7 percent property under capable management. The cash being held is naturally not as great as a year and a half ago. True, government bonds constitute a greater bracket than formerly, but that alone would not be a material factor in the reduction of interest income until the trend has gone much farther than at present.

### Reinvestment Work Carried On

Companies are now reinvesting in material sums. They are buying mortgages, bonds, preferred stocks. That will mean a bolstering of income, of itself. It is returning the marginal assets to work—and at a still very fortunate rate of return. There is not much likelihood of any material cut in the general rate of return unless the whole national program changes its course, as it is now being directed to a maintenance of the present basis of operations.

As for some of the sore spots in the investment picture, about which many are worried—again, there are many who totally discount these fears. Citing railroad bonds, which are the subject of much gloom and which are a sizable bracket in company investments, they express the opinion that this is not the matter of concern that many believe, for the very reason that it is such a major national problem that it could not be permitted to drift to general financial woe. Should the situation get to the point where life companies would have to be genuinely worried over this—then it would not make a great deal of difference, inasmuch as the whole financial structure would be at stake and would rise or fall with their eventual position.

Some companies are actually reporting an improved investment income

thus far in 1934—whether it will hold to the end of the year or not cannot be foretold—but it looks very doubtful if the 1934 rate of return will fall below the 1933 rate of 4.75. As that rate has already been discounted in dividends and interest rates, by and large, it does not seem essential that any immediate action be taken—until the stop and go is more definitely outlined as to the future.

## Des Moines Committees for 1935 Convention Announced

DES MOINES, Oct. 25.—The 1935 convention setup of the National Association of Life Underwriters was completed here following a meeting of Des Moines leaders, headed by J. A. Spargur, president Des Moines Association of Life Underwriters, with M. L. Hoffman, New York, assistant managing director of the National association.

The executive committee comprises: M. C. Nelson, general chairman; J. J. Hughes, vice-chairman; Fred Appelquist, C. E. Brown, Claude Fisher, E. R. Gray, Jack Hilmes, A. H. Pickford, Martin Seltzer and J. A. Spargur.

### Committee Chairmen

Committee chairmen are: Clarence Anderson, convention sessions; Carrie Bell, women guests and underwriters; J. C. Clapp, invitations and special guests; Clifford De Puy, president's reception and ball; Clyde Doolittle, bank and trust company cooperation; Claude Fisher, finance; E. R. Gray, publicity; J. M. Grimes, hotel reservation; Harry Haskins, reception; Arthur Johnson, transportation; J. H. McCarroll, press; R. W. Moorhead, printing; A. H. Pickford, general agents and managers; G. T. Carlin, registration; Martin Seltzer, attendance; Earl Smith, exhibits; Walter St. John, entertainment and golf; W. B. Strief, chartered life underwriters; Roy Swartzman, supervisors; William Watson, information; W. W. Jaeger, advisory.



## W. J. Graham Elected Head of the Insurance Institute

(CONTINUED FROM PAGE 5)

One of the problems confronting the organization is that of holding the interest of its associates. The most important developments of the past year have been the reviving of active work in Hartford, growth of the San Francisco society and establishment of one in Freeport, Ill. The most interesting report of the various societies was from Hartford. This study group was revived this year for the first time since 1921 and has 950 members.

Prizes were presented by President Barry. The winner of the Edward Roche Hardy prize for 1934 was Carleton I. Fisher, Providence, R. I. Winners of the institute prizes were: Esther W. Temple, Toronto, Ont., in the casualty branch; H. S. Polle, Jr., New York City, fire branch; J. S. Carroll, New York City, life branch; Percy Chubb, 2nd, New York City, ocean marine branch, and F. C. Legost, New York City, surety branch.

A resolution of congratulations and thanks to Messrs. Barry and Hardy for their work during the past year was passed.

## Report Dec. 1 on Old Age Pension, Job Insurance

(CONTINUED FROM PAGE 7)

likely that he would approve any scheme calling for direct contributions by the federal or state governments to any insurance fund.

While probably two months will elapse before the President makes known what he plans with respect to unemployment insurance and old age pensions, it is considered likely in Washington that his proposal will be based to considerable extent upon the British system of collecting from both employer and employee, but probably without that feature of the English law which provides for a contribution also by the government. Old-age pensions might also be handled in the same manner.

Under such a plan, it is expected, employers would be required to contribute a percentage of their payrolls, while employees would probably be assessed a small percentage of their weekly pay. In all likelihood, such contributions would be deposited with the government in a fund from which insurance benefits would be paid.

There is already such an organization as this to handle the retirement pay of federal employees, which could be expanded to take care of industrial insurance.

## E. J. Stevens' Conviction Knocked Out in High Court

Ernest J. Stevens, who was convicted of embezzlement in the circuit court of Cook county and was sentenced to a term of from one to 10 years, in connection with the failure of the Illinois Life, this week was handed his freedom and relieved of all fear of further prosecution by the Illinois supreme court. The higher court ruled that the evidence had been inconclusive of the commission of a crime.

Mr. Stevens was vice-president of the Illinois Life, although his principal work was the management of the Stevens and La Salle hotels. R. W. Stevens, a brother, was president of the Illinois Life, and he committed suicide in March of last year. E. J. Stevens has been free on bond during the time his conviction has been under appeal. During the summer he has been occupied as manager of the Red Lion Inn, which has been a successful concession in the English Village at the world fair. At the time of his trial, a great array of character witnesses, including prominent insurance men and other business leaders, appeared for him.

## Wisconsin Denies Longer Time Limit

(CONTINUED FROM PAGE 3)

Whereas in most states there is statutory limitation of waiting period on loans and surrenders—generally allowing not over six months—there is no such provision in Wisconsin. The department, however, has power to approve or disapprove policies.

Mr. Mortensen in his memorandum disapproving the forms stated life insurance is generally sold under the representation that loans or cash surrender values can be obtained practically on demand. He related that, not having been consulted by the companies prior to submission of the forms, he sent to them an inquiry requesting reasons for the proposed change. Replies were uniform, citing the 1933 bank situation and policy moratoria in practically all states.

"Assured should be protected as well as companies," Mr. Mortensen said, "and if we are ever unfortunate enough to experience a recurrence of 1933 conditions, it must be expected that policyholders will be likewise affected thereby and experience financial embarrassment. In that event, many policyholders will need to resort to their insurance reserves for immediate temporary relief. We cannot conscientiously conclude that companies have made out a case entitling them to these amendments to the policy contract."

"It is further argued by the companies that the option will not be exercised except in emergencies and that in all probability it will never be invoked. That is all the more reason why the change should not be made. The moratorium imposed last year was the first and only in the history of life insurance. Why anticipate a contingency when there is only the remotest likelihood that it will ever happen, and if it does, it can speedily be remedied or guarded against by the precedent recently established."

"Rather than surrender a long practiced right of the assured to the option of the company, it is more consonant with justice that an emergency factor be left to the good judgment of an impartial supervising official \* \* \*"

## Guest Speakers at the Life Advertisers Rally

The Life Advertisers Association announces that it will have three guest speakers at its convention in Memphis, Nov. 1-3. The program committee has drawn its speakers solely from life insurance ranks, with one notable exception, the object being that what is presented at the convention may be immediately useful to the members when they return to their desks.

John A. Stevenson, manager Penn Mutual Life, Philadelphia, will speak at the opening session Nov. 1 on "The Life Advertiser and His Work."

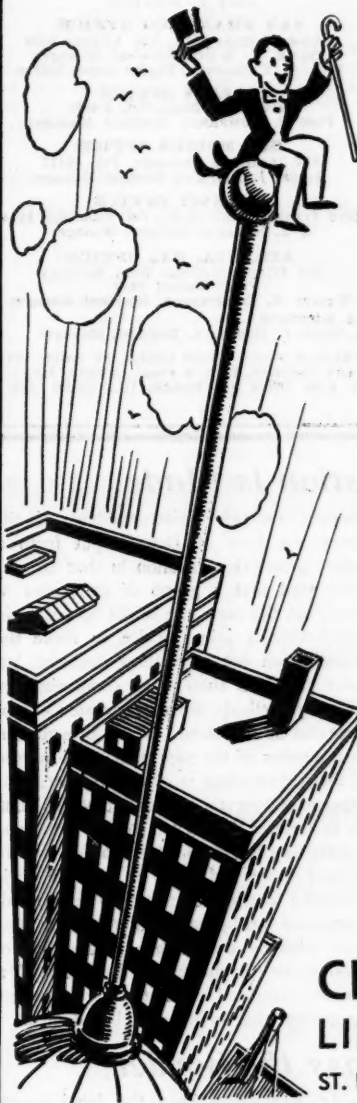
The Memphis Life Underwriters Association will be host at a luncheon Friday. The insurance press will supply C. C. Robinson, editor "Insurance Salesman," who will speak.

Friday evening members of the association will have a get-together dinner. Their guest speaker will be E. J. Meeman, editor Memphis "Press Scimitar."

## C. B. Stumes to Give Report

The first autumn meeting of the general agents and managers' division of the Chicago Life Underwriters Association will be held Friday of this week. F. H. Haviland, manager Connecticut General Life, is chairman. C. B. Stumes of Stumes & Loeb, general agents Penn Mutual Life and chairman of the legislative committee, will be the chief speaker. He will discuss a number of bills that will come before the next session of the legislature.

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When are you up there?

Here's when—

When you are making money; when you know that what you are selling is as good as the best; when you have a Home Office crew that is standing squarely behind you. Central States Life executives realize that the sales force is the mainspring of a life insurance company. They invite you to investigate the Central States Life agency offer.

• • •

The Central States Life can't guarantee that you will make money—that's up to you—but we can offer you all the rest. Are you interested?

Address agency inquiries to J. DeWitt Mills, Vice President, requesting a copy of Field Features. Desirable territory available in Mo., Ark., Okla., Texas, New Mex., Calif., Wyo., Colo., Utah, Nebr., and Fla.

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Assistance in the Field

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OF ILLINOIS

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By THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York  
PUBLICATION OFFICE, 41946 Insurance Exchange, CHICAGO. Telephone Wabash 3764

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**CINCINNATI OFFICE**  
430 E. Fourth St., Tel. Parkway 2140  
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Subscription Price \$3.00 a year; in Canada, \$5.50 a year. Single Copies, 15 cents. In  
Combination with The National Underwriter Fire and Casualty, \$5.50 a year; Canada, \$10.50.  
Entered as Second-class Matter June 9, 1900, at Post Office at Chicago, Ill., Under Act,  
March 3, 1879.

### Practical Suggestion Is Made

AT THE meeting of the FINANCIAL SECTION of the AMERICAN LIFE CONVENTION, E. L. TRINKLE, president of the SHENANDOAH LIFE, was eager to ascertain what the approximate cost is for a company to secure adequate and enlightening financial advice on its securities. Governor TRINKLE's inquiry came after two or three financial officers of companies explained their setup, telling just how far they went in checking up on the securities in their portfolios or others that are presented to them for purchase.

Governor TRINKLE called attention to the fact that the margin between the percentage required to build the legal reserve and the amount received from a security might be very small and therefore a company would not be justified in going to much expense in making an investigation.

In his paper before the general session of the AMERICAN LIFE CONVENTION, CLARIS

ADAMS, executive vice-president of the AMERICAN LIFE of Detroit, put forth a rather practical suggestion in that he recommended that a group of companies of somewhat the same size might cooperate in establishing a joint service to make the investigation not only along financial but other lines. In these days companies are studying methods whereby greater economies can be instituted. It was brought out in a number of the papers that the margin of interest earnings is getting thinner. The expense of operation in some cases is going up because of the higher cost of living and conducting business. Companies will be obliged more and more to rely on their mortality savings for profit. Therefore all companies are greatly interested in any plan whereby the margin in any one of these three elements can be increased. Mr. ADAMS presented at least a very concrete suggestion that might well be adopted.

### Join Hands Across the Border

THE fact that a distinguished barrister of Montreal, A. H. ELDER, has been elected a director of the PRUDENTIAL, brings out the fine feeling between the Dominion and the United States. It further emphasizes the harmonious and international character of this form of beneficence and protection. In a life company are found all shades of opinion, creed, race, men of high and low degree. There is no caste, no discrimination, no aristocracy, no proletariat, no kings, no subjects.

Mr. ELDER has been the legal representative of the PRUDENTIAL since it entered the Dominion of Canada. The relationship between the Dominion and the United States is most friendly. The people of the two countries are practically one and the same. They mingle with one another in an amicable, friendly way. United States companies operate in Canada and Canadian companies are active in the United States. We need more evidences of this joining of hands across the border.

### Industrial Section Progresses

WITH the establishment of the INDUSTRIAL SECTION of the AMERICAN LIFE CONVENTION on a full fledged basis, its future looks exceptionally bright. Every one of the talks on the formal program in the afternoon was well prepared and the subjects were timely and of great interest. Chairman J. F. MAINE demonstrated his ability as an organizer and to him much credit goes for the excellent program. One disappointing factor was the poor attendance at the second session in the evening. The program was changed so all the formal talks were given in the afternoon and the evening was left free for discussion.

But the early leavers and the fair-goers cut the attendance in half in the evening. Such subjects as agency contracts which merit frank discussion were not taken up. One reason for the existence of a company organization is to iron out irritations and come to a mutual understanding on common problems. In the future provision should be made for discussion in the daytime program of off-the-record subjects. Evening programs are not popular, especially when they come towards the end of the convention schedule so it probably be a wise step to abolish them at future meetings.

## PERSONAL SIDE OF BUSINESS

Homer G. Hewitt of Houston, Texas state manager Northwestern National Life, was the guest speaker at the Waco Junior Chamber of Commerce dinner.

P. K. Lutken, executive vice-president of the Lamar Life, has been elected president of the Jackson (Miss.) Chamber of Commerce.

R. R. Wagner, secretary of the Bankers Reserve Life until its sale about a year ago to the Ohio National Life, was accidentally killed while hunting with friends at the Dewey Lake Club about 40 miles from Valentine, Neb.

Dr. J. W. Fisher, medical director of the Northwestern Mutual Life, will be among the physicians practicing in Milwaukee county 50 years or more who will be honored at a dinner to be given by the Milwaukee County Medical Society. Dr. Fisher at 86 is the oldest of the group to be honored.

M. J. Cleary, president Northwestern Mutual Life, is president of the Milwaukee County Community Fund, which is conducting a drive to raise more than \$1,000,000 to finance 42 private social agencies the coming year.

Alfred Melbourne, 56, one of the founders of the Great-West Life of Canada, and in recent years office manager at Minneapolis, died there.

W. R. Gardner, supervisor of agencies of the Atlantic Life, is the proud father of a son, W. R. Gardner, Jr.

Joseph B. Macken, Detroit manager of the Mutual Life of New York, was married to Miss Lois Devereaux, one of the leading producers of the women's division of the Detroit branch for the past six years, in Toledo.

At the conclusion of a 30-day sales campaign, 150 district managers and members of the Iowa agency force of the Equitable Life of New York will honor M. C. Nelson, Des Moines agency manager, at a banquet in commemoration of 25 years of service with the company.

W. M. Rothaermel, Chicago, superintendent of agencies, and Agency Managers E. L. Carson, Milwaukee; A. M. Embry, Kansas City; M. A. Nelson, St. Louis, and F. A. Croxson, Omaha, will attend. The last three and M. C. Nelson were the four leading producers of the Little Rock agency of the company 25 years ago.

Mr. Nelson recently was appointed general chairman of the convention committee for the 1935 meeting of the National Association of Life Underwriters.

L. L. Cassidy, 79, assistant treasurer of the Bankers Life of Des Moines for the past 12 years, died at his home there following an illness of six months. He had had 30 years of service with the Bankers Life.

John H. Evans, vice-president of the Ohio National Life, has been visiting the Texas agencies of that company with Walter C. Temple of Dallas, Texas state agent.

L. E. Mansfield, supervisor of the bond department of the Prudential at the home office here, spoke from radio station WFAF on "Putting Municipalities on a Cash Basis."

J. W. Hewitt, who has become general agent of the Columbian National Life at Rochester, N. Y., takes the place of W. J. Hunt, who was recently appointed postmaster there. Mr. Hewitt has had fine experience in banking and accounting. He started in his life in-

surance work with the Mutual Benefit Life, Nov. 1, 1923, continuing until Jan. 1, 1928, when he went with the National Life of Vermont. He is much interested in the Y. M. C. A. in his city.

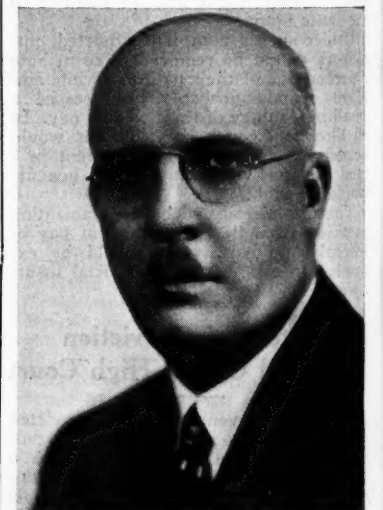
C. N. Clarke, manager New York Life, Syracuse, N. Y., celebrates his 26th anniversary in the business Nov. 12. His agency ends a six weeks contest on that date with a banquet at which Harry H. Tibken, New Haven, manager of the New York Life, will be a speaker. Mr. Clarke started in for the New York Life at Milford, Conn. He was made an agency organizer in 1908, opened the Poughkeepsie office in 1921 and went to Syracuse in 1924.

Merrill E. Wilson, 62, vice-president of the Empire Life & Accident of Indianapolis, is in a critical condition in a hospital at Evansville, Ind., as a result of being struck by a bicycle. He was knocked to the pavement as he stepped from the curb and suffered a severe concussion of the brain.

President James Lee Loomis of the Connecticut Mutual Life has made a tour of Texas, visiting the company's new agencies in San Antonio, Houston and Dallas and studying investment conditions with a view to possible expansion of the company's Texas investments. He was the guest of a number of prominent San Antonio business men at breakfast.

Chester B. Dobbs, district agent of the Mutual Benefit Life at Lincoln, Neb., was erroneously referred to in a recent issue as Nebraska general agent of that company. E. J. Phelps of Omaha holds that post and has for the past 16 years.

### New President



GUSTAF LINDQUIST

The election of Gustaf Lindquist, who has been connected with the Equitable Life of New York in its public relations department, is president of the Abraham Lincoln Life of Springfield, Ill., is commended by life men. Mr. Lindquist served two terms as Minnesota insurance commissioner and later became president of the Travelers Equitable of Minneapolis. He is regarded as a man of wide experience, both in insurance and investments. He conducted the insurance department of Minnesota along progressive lines. Mr. Lindquist has been residing in St. Paul.

Mr. Lindquist and Chairman of the Board H. B. Hill are visiting a number of agencies, holding meetings with the men so that the new president can be introduced and the plans of the company for the future outlined.



## NEWS OF THE COMPANIES

### Postpone Federal Union Case

**Temporary Injunction Restraining the Ohio Department from Acting Is Still in Force**

Judge Nevin of the United States district court at Cincinnati, hearing the Federal Union Life case there, continuing it until Nov. 12. Temporary injunction had been issued restraining the Ohio department from taking over the company. In the meantime it is restrained from paying cash surrender values or making loans.

A few weeks ago the Ohio department made a move to take over the company on the ground that it was impaired. An Indianapolis policyholder, J. S. Williams, filed charges, charging malfeasance against the Ohio department, claiming that it allowed financial statements during the last few years to be approved when the department knew that the statements were not correct. Mr. Williams contends that if the company is now insolvent, it was when these statements were issued.

#### Seek to Quash Service

Legal procedure has made the situation more complicated. The attorney general on behalf of the Ohio department claimed that an injunction cannot be granted without a hearing before three federal judges. The superintendent of insurance and director of commerce who were named defendants in the suit have filed motions to quash service on them and have asked for dissolution of the injunction. No action has been taken on the application of Mr. Williams for a receiver. The attorney general's office seemingly has dropped the question of the injunction being issued without a hearing before three federal judges, as this point involves the constitutionality of the law.

#### Hearing on Three Points

The hearing on Nov. 12 will be on three points, the application of J. S. Williams for receiver, the motion of state officials to quash service on them, and thirdly, whether or not the injunction is to be continued.

Speculation as to the affairs of the company have been rife for some time. It is rumored that it has been paying a disability claim to a man who has since recovered from his affliction and that he is endorsing the checks back to the company. It is further said that the company has made loans on farms in excess of their true value, which have later been foreclosed at a loss to the company. At the hearing last week, it was brought out that since the injunction against the insurance department checks have been made out and signed without the countersignature of C. F. Stein, who has been in the company for some months on the behalf of the Ohio department and who up to this time has countersigned all requests for checks. During the past few weeks Frank J. Haight, president of Haight, Davis & Haight, consulting actuaries of Indianapolis, has been at the Federal Union with two aids going over assets and figures.

#### Lyles to Home Office

C. A. Lyles, former Tennessee state manager of the Standard Life of Mississippi, has been named assistant secretary of the company and transferred to the home office at Jackson.

#### Launch New Oklahoma Company

A charter has been granted to the Western Life of Oklahoma City, with \$50,000 capital. Incorporators are D. H. Moffat of Tulsa, J. B. Fink, Frank Abbott and F. B. Dowling of Oklahoma City.

### Northwestern Mutual Gains

**Paid Business Ahead 23.8 Percent—Total Income Increases 4.3 Percent—\$14,824,094 More Assets**

New paid business of the Northwestern Mutual Life for the first nine months totaled \$174,239,831, including annuities, representing a net increase of \$33,502,609 or 23.8 percent. Net new business, without annuities, amounted to \$171,393,222, an increase of 21.9 percent.

Insurance in force as of Oct. 1, was represented by 986,512 policies aggregating \$3,727,187,680, an average of \$3,778 per policy. Total assets of the company now are \$1,020,534,592, an increase since a year ago of \$14,824,094.

The grand total of income for the nine months was \$140,553,400, an increase of 4.3 percent. Premium income was \$89,000,000; interest on mortgage loans, \$13,000,000; on bonds, \$10,000,000; on policy loans, \$10,000,000; on rents from tenants of farm property, \$1,000,000, and rents from city property, \$200,000.

#### Policyholders Paid \$96,000,000

Total disbursements exceeded \$116,000,000. Disbursements during the nine month period for home office personnel and building expense, mortgage loan and real estate expenses, taxes, commissions, etc., was over \$14,000,000. Payments to policyholders and beneficiaries exceeded \$96,000,000.

The investment account on Oct. 1 included farm loans amounting to \$159,000,000 and city loans approximating \$183,000,000. Farm loans are 15.3 percent of gross assets, and city loans 17.6 percent. Total bonds owned approximate \$369,000,000, or 35.5 percent of assets. Outstanding policy loans decreased nearly \$14,000,000 compared with a year ago, and now represent an outstanding investment of \$223,000,000, or 21.5 percent of the assets.

### New Interests in Corn Belt

**C. A. and Harry L. Martin Have Become Prominently Identified With the Lincoln Company**

New interests have taken over the Corn Belt Life of Lincoln, Neb. C. A. and Harry L. Martin, brothers, have purchased a considerable amount of stock and with others have formed a voting trust. Charles A. will be vice-president and general manager and Harry L., agency supervisor. Both brothers were formerly connected with the American Life of Denver. C. A. Martin at one time was home office manager of the Pacific States Life when it had its executive offices in Denver. He was the chief organizer of the Provident Life of Bismarck, N. D. H. L. also was formerly with the Pacific States Life as supervisor of agents when it took over the Elkhorn Life of Norfolk, Neb. It is expected that the two brothers will inject considerable spirit in the Corn Belt Life and much is expected of it.

### Old Line Life, Milwaukee, in Fine Financial Showing

The Old Line Life of Milwaukee as of July 1 shows assets \$17,792,566 of which \$6,840,957 are city mortgages, \$2,085,302 farm mortgages, \$3,216,381 policy loans, \$418,951 cash, federal government bonds \$338,867, Canadian bonds \$610,612, state, county and municipals \$892,441. Its total liabilities are \$15,675,870. The policyholders' surplus is \$2,116,696. This shows that the company has \$1.13 of admitted assets for

each \$1 of reserve funds and liabilities. The gross income for the first six months was \$1,476,770 or \$41,619 more than for the similar period of last year. The gross operating expense for the first six months was \$1,204,287 or \$166,212 less than for the same period last year.

The new life premiums paid the first six months were 34 percent more than the same period of 1933. The new retirement income and annuity contracts issued for the first six months were 111 percent more than for the first six months of last year. Its accident and health premiums for the first six months were 60 percent more than for the same period last year.

### Illinois Department Makes Demands on Two Concerns

The Illinois department is reported to have made certain demands on two Chicago mutual benefit concerns. Order to levy assessments in future only according to the mutual benefit act, to settle claims in line with certificates and the law, and immediately to discontinue accepting advance assessments, was transmitted to the Beacon Mutual Benefit of Chicago by the Illinois department, it is reported. The management was or-

dered to revise mortgage loan investments prior to July 1, 1935, in order to comply with the 1933 investment act for such concerns.

The New Home Benefit directors were ordered to give assurance that personal checks of officers carried as assets be deposited regularly to the credit of the association. It was pointed out officers were not properly bonded and records were inadequate. Guaranty fund is below statutory requirements, it was reported. Disbursements must be authorized by the directors and investments must conform to the 1933 law.

### Government Personnel Life Is Now Licensed in Texas

The Government Personnel Mutual Life of Fort Sam Houston, San Antonio, Tex., has now been licensed. The company was organized by Col. P. J. Hennessy, who is president. D. W. Beasley is secretary-treasurer. Maj. Fletcher Gardner is medical director. The stockholders and directors are officers and employees of the government.

The policies include ordinary life, endowment at age 65, 20-year pay and 20-year endowment. A convertible five-year term policy is now being prepared. Business written is now confined to gov-

## Opportunities in Ohio and Michigan!

Men of character and ability, who are anxious to represent a strong Mid-West Mutual Legal Reserve Company, are invited to correspond with us relative to open territory in Ohio and Michigan.

Guarantee Mutual Life, now in its Thirty-third year of successful operation, with substantial increases in Assets and Surplus, offers an up-to-date Agency contract with liberal first year commissions and vested renewals.

For further details write to our Agency Department. Your inquiry will be held strictly confidential.

**GUARANTEE MUTUAL LIFE COMPANY**  
ORGANIZED 1901  
OMAHA, NEBR.



ASSETS OVER \$16,500,000.00  
SURPLUS OVER 2,500,000.00



# AMERICAN CENTRAL LIFE

**INSURANCE  
COMPANY**

ESTABLISHED 1899

**INDIANAPOLIS, INDIANA**

● All modern forms of Life Insurance and Annuity contracts are written, either on an annual or single premium basis. Annuities include Retirement Income, Elective (Deferred), Joint and Survivor, Refund, and Survivorship—one for any type of prospect, in short.

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*never faltering service*  
**to agents makes the**  
**Guaranty Life outstanding**  
**as an agents' company**

modern, liberal policy contracts,  
a strong financial foundation,  
experienced, sincere management  
are yours when you represent  
this sound, progressive company

Lee J. Dougherty, President

**Guaranty Life Insurance Co.**  
Davenport, Iowa

ernment employees and members of their families.

Col. Hennessey retired from the army after 30 years' service. He first entered insurance in 1929. For a time he was connected with the Great American Life of San Antonio.

#### Guarantee Mutual Examined

An examination of the Guarantee Mutual Life of Omaha by the Nebraska, Iowa, North Dakota and Indiana departments shows the company in approved financial condition. The first six months of 1934 its income exceeded disbursements by \$291,556, total assets increased \$507,115, and in addition to reserve of \$1,550,000 for fluctuations in investment, its surplus June 30 was \$1,425,966.

#### Commissioner Approves Deal

The American Medical Life of Spokane, Wash., has been sold to the Occidental Life of Los Angeles, the deal having been approved by Commissioner Sullivan of Washington. The American Medical was organized in 1929 and has about \$7,500,000 insurance in force. The purchase price is given as about \$271,000.

#### Attorney's Removal Set Aside

LINCOLN, NEB., Oct. 25.—Overriding the action of Governor Bryan and Insurance Director Herdman, District Judge Chappell issued an order reinstating M. L. Donovan of Omaha as at-

torney for the receiver of the National Old Line Life and the Indemnity of America, both controlled by Reese Wilkinson.

The court held that while the department had the power to appoint Donovan, after he took the position he became an officer of the court and subject to its jurisdiction. Just cause for his removal not having been shown, the dismissal was set aside. The department appealed to the supreme court.

#### Northern Life Retires Bonds

Outstanding obligations of the Northern Life of Seattle on the Northern Life Tower have been reduced \$100,000 through calling in another group of 5 percent bonds. The original issue was \$1,075,000. With the retirement of these bonds, to be paid Dec. 1, there will be outstanding \$475,000.

#### Wisconsin Life Names Supervisor

President Norman J. Frey of the Wisconsin Life announces the appointment of George R. Holdusen as field supervisor. Mr. Holdusen is an experienced supervisor, having had such connection with another company for eight years.

#### Thurman Visits Spokane

Oliver Thurman, superintendent of agencies of the Mutual Benefit Life, visited the Spokane, Wash., agency, which reported a 15 percent business increase this year.

## LIFE AGENCY CHANGES

#### Macken Made Sole Manager

A. P. Ballou, for 20 Years in Charge of Mutual Life Detroit Branch, Is Retiring

Amos P. Ballou, for the past 20 years manager for the Mutual Life of New York in Detroit, has retired and J. B. Macken, who has been associate manager since January, 1933, under the style of Macken & Ballou, has become sole manager for the company there.

Mr. Ballou has been with the Mutual Life for about 35 years, having represented the company in Louisville and Chicago before going to the Detroit branch 26 years ago. Six years after his arrival in that city he was named branch manager.

Mr. Macken had been manager of the Portland, Ore., branch before going to Detroit. He joined that branch in 1910 and became one of the agency's leading personal producers, frequently appearing on the honor roll and having made the field club for ten years.

#### Reed Made Oklahoma Manager

George Bond has resigned as Oklahoma state manager of the Union Central Life after two years' service in that capacity. He is succeeded by Earl V. Reed, formerly of Wichita, Kans. Before joining the Union Central Mr. Bond was for 15 years with the Mutual Life of New York, five years agency organizer in Oklahoma.

#### Reorganizes California

The Jefferson Standard Life has reorganized its California territory. J. H. Sewell of Los Angeles is agency director for the state. Under the new plan the only collection office will be in Los Angeles, but the main offices will be continued in San Francisco and Los Angeles, with sub-offices at San Jose, Modesto, Long Beach and Santa Ana.

#### Moore's Territory Extended

Clark A. Moore, general agent for the Aetna Life at Oakland, Cal., has had 16 northern California counties added to the territory under his supervision. Those counties were formerly super-

vised from the San Francisco general agency and the transfer is made by an agreement between Mr. Moore and F. C. Whately, in charge of the San Francisco office. Mr. Moore plans to establish a brokerage department and a branch agency office at Sacramento about Nov. 15.

#### Darby Gets Birmingham Post

The Atlantic Life has appointed John A. Darby, Jr., general agent at Birmingham, Ala. with headquarters at 418 Watts building, succeeding T. L. Bond, resigned. He was formerly associate manager there for the Mutual Life of New York.

#### Ohio State Appointments

The Ohio State Life has appointed L. C. Hall of Santa Rosa, Cal., general agent. He formerly was with the Northern Life of Seattle and the California-Western States Life. C. F. Firvis has been appointed general agent at Goldsboro, N. C., and L. N. Hansell at Goldsboro, N. C.

#### Harper with Manhattan Life

Clarence R. Harper, who until recently was connected with the Columbian National Life as general agent in New York City, has been appointed general agent for Philadelphia for the Manhattan Life. His offices will be in the Franklin Trust building. His entire business life has been in the insurance business. He spent his early years with the Columbian National in New York and later in Syracuse and then left that company for a time to organize the Southern States Life of Atlanta. In 1914 he again became connected with the Columbian National and remained with that company until recently.

#### Weltz Takes Union Mutual

Earl H. Weltz & Co., general agents of the Massachusetts Accident, with offices in Philadelphia, Camden, Wilmington, Pittsburgh, Detroit and Chicago, have been appointed Philadelphia general agent of the Union Mutual Life of Portland, Me.

For many years Mr. Weltz has been an outstanding life and accident man in Philadelphia, and until quite recently



represented the National Life of Vermont as general agent.

Frederick Tucker, formerly Philadelphia general agent of the Union Mutual Life, becomes associate general agent and will be connected with Mr. Weltz' office. Arthur Tucker, assistant general agent, also becomes associated with Mr. Weltz in the same capacity. New offices will be in the Lincoln-Liberty building.

#### Hayward Resumes Former Work

Norman W. Hayward, who resigned as general agent in Rhode Island for the National Life of Vermont in 1930, having regained his health, has been reappointed to that position. His headquarters are in the Turk's Head building, Providence.

#### How Texas Is Divided

O. L. Pardue, with headquarters in the Second National Bank building, Houston, Tex., has been appointed state manager for southern Texas by the People's Life of Indiana. J. B. Stephenson, Wilson building, Dallas, continues as state manager for northern Texas.

#### M. F. Harris

M. F. Harris, for 12 years general agent for the Security Mutual Life of New York at Auburn, N. Y., has taken charge of the Rochester office as general agent there. He continues in charge of the Auburn territory.

#### A. K. White to Chicago

A. K. White has joined the field service division of the Travelers group department in Chicago. He comes from Hartford, having served previously in Boston, Syracuse, Baltimore and New York.

#### R. E. Morgan

In the article announcing R. E. Morgan, home office agency supervisor of the Ohio National Life, being transferred to Danville, Ill., to take charge of Illinois and Indiana, it was stated that he had been general agent of the Massachusetts Mutual Life in Cleveland and northern Ohio. This was an error. Mr. Morgan was supervisor in the E. W. Snyder general agency of the Massachusetts Mutual Life at Cleveland. Mr. Snyder has been the general agent for 32 years.

#### Luckhardt Gets Northeast Oklahoma

H. A. Luckhardt has been appointed agency manager of the Atlas Life of Tulsa for northeastern Oklahoma. He has been district agent for the Equitable Life of Iowa in charge of its Tulsa office for the last six years. He graduated from Tarkio College, Tarkio, Mo., in 1914 and started his life insurance career in northwestern Missouri. He is president of the Tulsa Life Underwriters Association and a member of the educational committee of the national body. He is a C. L. U. and is secretary and treasurer of the Tulsa C. L. U.

#### Woodrow L. Hodges

Woodrow L. Hodges, formerly agent with the Hullum agency of the Lamar Life in Monroe, La., has been named general agent in northeast Missouri for the Ohio National at Kirksville, Mo.

#### J. J. Crowley Resigns

John J. Crowley has resigned as St. Louis general agent of the State Mutual Life. Before taking that post he was in the home office of the Missouri State Life and prior to that for six years with the Travelers. His successor has not yet been announced.

#### Field Drops Life Agency

James B. Field, who established his agency in Jackson, Mich., in 1904, has retired as district agent of the Massachusetts Mutual Life, which he has represented there for 30 years, because of ill

health. He will continue to represent the North American Accident and Interstate Business Men's Accident. W. R. Cruse and P. C. Peck have been appointed district agents of the Massachusetts Mutual.

#### E. R. Hogg, Jr.

E. R. Hogg, Jr., has been appointed assistant manager of the Seattle office of the North American Life Assurance by E. S. Sears, state manager.

#### Holland to Montreal

L. F. Holland, formerly of St. Louis, has been appointed district group manager of the Sun Life of Canada at Montreal.

### CONVENTIONS

#### John Hancock Men Meeting

General Agents in the Central District Are Holding Regional Gathering in Indianapolis

The John Hancock general agents' association will hold a regional meeting in Indianapolis Friday of this week. C. A. Macauley of Detroit, general agent there, is president of the organization. D. W. Flickinger, general agent at Indianapolis, made the local arrangements.

One of the major questions to be discussed will be the recruiting and developing of full-time salesmen. This is the first of a series of regional meetings of general agents. Among those attending at Indianapolis will be: William B. Ackerman, Cincinnati; Stanley and McKay Reed, Louisville; Howard H. Cammack, St. Louis; Henry A. and Henry S. Stout, Dayton, O.; W. M. Lateer, Peoria, Ill.; W. M. Houze, Chicago; Ralph W. Hoyer, Columbus and Theodore W. Boruff, Decatur, Ill.

#### Bankers of Nebraska Meetings

The Bankers Life of Nebraska will hold its conventions late in January, one at Lincoln for its western field men and one at Kansas City, immediately following, to which eastern agents will be eligible.

#### Regional Meeting on Coast

Agents of the Northwestern Mutual Life in California and Arizona will meet in Los Angeles Nov. 19-20 for a regional meeting. The party of home office officials will include M. J. Cleary, president; Grant L. Hill, director of agencies; W. R. Chapman and J. J.

**ASSETS**  
December 31, 1933  
**\$175,169,871.31**

**INCOME OVER  
OUTGO 1933**  
**\$4,831,493.77**

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**BANKERS LIFE  
COMPANY**  
Gerard S. Nollen  
President  
Des Moines, Iowa  
55 Years Old

## OHIO OPPORTUNITIES

Atlantic Life is now building its organization and extending its operations in the State of Ohio, and is offering liberal contracts to capable men to represent us in leading centers.

Underwriters interested in the opportunity now afforded by associating with this Company are invited to write to our Supervisor, Eugene A. Hahne, 1207 Mercantile Library Building, Cincinnati.

### Atlantic Life Insurance Co.

RICHMOND, VIRGINIA

Angus O. Swink  
President

William H. Harrison  
Vice-Pres. & Supt. of Agencies

Hughes, assistant directors of agencies and H. R. Ricker, assistant secretary. W. K. Murphy, Los Angeles general agent; R. J. Shipley, San Francisco general agent and C. S. Martin, Arizona general agent will be chairmen of the three sessions.

#### Columbus Mutual Club Elects

Members of the Central Ohio Club of the Columbus Mutual Life at a meeting in Columbus named L. L. Weaver of Columbus president; E. A. Reeder, vice-president, and R. A. Engler, secretary-treasurer. J. H. Newman, former state librarian, spoke.

#### Bankruptcy Law Condemned

The Wilcox municipal bankruptcy law was condemned by Ralph Lawrence and H. L. Schwenker, speakers at the October meeting of the Nebraska Insurance Institute. They said the law is unworkable and unconstitutional and suggested that while it may be too cumbersome to be feared, its passage indicated a trend in legislation dangerous to insurance companies and investment houses.

#### Los Angeles Actuaries Organize

The Los Angeles Club of Actuaries & Underwriters has been organized by men officially connected with four Los Angeles life companies and also a number of consulting actuaries without company affiliation. W. A. Munster, Postal Union Life, was elected president; O. J. Myers, Occidental Life, vice-president; A. W. Havens, secretary, and C. H. Tookey, Occidental Life, assistant secretary.

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

### Participating Rates Down

Great-West Life Announces New Policy Plans and a Revision of Its Agency Contract

Announcement is made by the Great-West Life of a substantial reduction in its participating rates. Although an increase has been made in the premiums for non-participating policies the company will still retain its position among the leading low-rate companies.

Several new policy plans have been designed to fill the needs of the insuring public. Of particular interest is a new "Preferred Whole Life Participating Policy." Another important step is the decision to include a new family protection feature in any life or endowment policy for the purpose of providing a special monthly income should anything happen to the insured, while the children are growing up. The income is on the basis of \$10 for each \$1,000 of insurance.

A new agent's contract has been prepared which the company believes will be extremely attractive in view of the liberal provisions which it contains. A

new pension clause is one of the outstanding features of the new agreement. It enables the agent to establish his own pension on the basis of his most remunerative years.

### New Annuity Rates Given

Schedule Shown on Two Important, Single Premium Forms of Sun Life of Canada

The Sun Life has now published its new rates for single premium annuities. Below are given the rates at representative ages for males and females for the ordinary immediate annuities, single lives, where the payments cease at death, the rate for females always being equal to that of males four years older:

Age last Birthday	Cost of an Annuity of \$100 per Annum payable Annually	\$10 per Month payable Monthly	Amt. of annuity which \$100 will purchase
40	1,851.00	1,976.00	2,007.00
41	1,823.00	1,952.00	1,983.00
42	1,794.00	1,928.00	1,959.00
43	1,764.00	1,901.00	1,935.00
44	1,734.00	1,875.00	1,910.00
45	1,704.00	1,849.00	1,884.00
46	1,673.00	1,823.00	1,859.00
47	1,641.00	1,796.00	1,833.00
48	1,610.00	1,769.00	1,806.00
49	1,577.00	1,741.00	1,780.00
50	1,545.00	1,713.00	1,753.00
51	1,512.00	1,685.00	1,726.00
52	1,479.00	1,657.00	1,699.00
53	1,445.00	1,628.00	1,671.00
54	1,411.00	1,599.00	1,643.00
55	1,377.00	1,570.00	1,615.00
56	1,342.00	1,541.00	1,587.00
57	1,308.00	1,512.00	1,559.00
58	1,273.00	1,482.00	1,531.00
59	1,239.00	1,452.00	1,502.00
60	1,204.00	1,423.00	1,473.00
61	1,169.00	1,393.00	1,445.00
62	1,134.00	1,363.00	1,416.00
63	1,100.00	1,333.00	1,387.00
64	1,065.00	1,302.00	1,358.00
65	1,031.00	1,272.00	1,329.00
66	996.00	1,243.00	1,300.00
67	962.00	1,213.00	1,271.00
68	929.00	1,183.00	1,242.00
69	895.00	1,153.00	1,213.00
70	862.00	1,124.00	1,185.00
71	830.00	1,094.00	1,157.00
72	798.00	1,065.00	1,129.00
73	766.00	1,036.00	1,101.00
74	735.00	1,007.00	1,073.00
75	705.00	979.00	1,046.00
76	675.00	951.00	1,019.00
77	645.00	923.00	992.00
78	617.00	895.00	965.00
79	589.00	868.00	939.00
80	562.00	842.00	913.00
81	535.00	815.00	888.00
82	509.00	789.00	863.00
83	484.00	764.00	839.00
84	460.00	739.00	815.00
85	436.00	715.00	792.00

Age last Birthday	Cost of an Annuity of \$100 per Annum payable Annually	\$10 per Month payable Monthly	Amt. of annuity which \$100 will purchase
40	2,497.00	3,052.00	40.05
41	2,461.00	3,008.00	40.63
42	2,385.00	2,917.00	41.93
43	2,303.00	2,819.00	43.42
44	2,211.00	2,708.00	45.23
45	2,105.00	2,581.00	47.51
46	1,985.00	2,437.00	50.38
47	1,851.00	2,276.00	54.02
48	1,704.00	2,100.00	58.69
49	1,545.00	1,909.00	64.72
50	1,377.00	1,708.00	72.62
51	1,204.00	1,500.00	83.06
52	1,031.00	1,282.00	96.99
53	862.00	1,090.00	116.01
54	705.00	901.00	141.84
55	562.00	730.00	177.94
56	437.00	580.00	228.83

Herewith are given the same figures for annuities guaranteeing return of balance of purchase price, single lives, the contract providing that should the annuitant die before the total of the annuity payments received equals the purchase price, the excess will be returned:

Age last Birthday	Cost of an Annuity of \$100 per Annum payable Annually	\$10 per Month payable Monthly	Amt. of annuity which \$100 will purchase
40	2,463.00	3,011.00	40.60
41	2,403.00	2,939.00	41.61
42	2,319.00	2,838.00	43.12
43	2,225.00	2,725.00	44.94
44	2,121.00	2,600.00	47.15
45	2,007.00	2,464.00	49.83
46	1,884.00	2,316.00	53.08
47	1,753.00	2,159.00	57.05
48	1,615.00	1,993.00	61.92
49	1,473.00	1,823.00	67.89
50	1,329.00	1,650.00	75.24
51	1,185.00	1,477.00	84.39
52	1,046.00	1,310.00	95.60
53	913.00	1,151.00	109.53
54	792.00	1,006.00	126.26

### Correct Annuity Rates for Connecticut Mutual Given

A wandering decimal point in a tabulation of the Connecticut Mutual's new single premium annuity rates presented in the Oct. 12 issue made it appear that

Send 9 cents in stamps for sample copy of

**The Accident & Health Review**

The only exclusive accident and health paper published.

Address your inquiry to A-1946 Insurance Exchange, Chicago

a \$100 a year income could be bought for less than \$20. The decimal point in all cases should have appeared two places to the right. The correct purchase prices are:

Age	Without Refund	With Installment Refund	With Cash Refund
40	\$1,851.00	\$1,976.00	\$2,007.00
41	1,823.00	1,952.00	1,983.00
42	1,794.00	1,928.00	1,959.00
43	1,764.00	1,901.00	1,935.00
44	1,734.00	1,875.00	1,910.00
45	1,704.00	1,849.00	1,884.00
46	1,673.00	1,823.00	1,859.00
47	1,641.00	1,796.00	1,833.00
48	1,610.00	1,769.00	1,806.00
49	1,577.00	1,741.00	1,780.00
50	1,545.00	1,713.00	1,753.00
51	1,512.00	1,685.00	1,726.00
52	1,479.00	1,657.00	1,699.00
53	1,445.00	1,628.00	1,671.00
54	1,411.00	1,599.00	1,643.00
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68	929.00	1,183.00	1,242.00
69	895.00	1,153.00	1,213.00
70	862.00	1,124.00	1,185.00
71	830.00	1,094.00	1,157.00
72	798.00	1,065.00	1,129.00
73	766.00	1,036.00	1,101.00
74	735.00	1,007.00	1,073.00
75	705.00	979.00	1,046.00
76	675.00	951.00	1,019.00
77	645.00	923.00	992.00
78	617.00	895.00	965.00
79	589.00	868.00	939.00
80	562.00	842.00	913.00
81	535.00	815.00	888.00
82	509.00	789.00	863.00
83	484.00	764.00	839.00
84	460.00	739.00	815.00
85	436.00	715.00	792.00

#### Union Mutual of Maine

The Union Mutual Life of Portland, Me., has entered the juvenile insurance field, with four policies, they being 20-payment endowment at age 85, participating; 20-payment endowment at age 65, participating; 20-year endowment, participating; endowment at age 18, participating.

These policies are issued on the lives of children from birth. In New York and New Jersey full benefits are obtained at age 10, and in all other states at age 5.

At the same time the company announces that double indemnity has been extended to the younger ages, beginning at age 16. Formerly the benefits were issued to those over age 21.

#### Peoples Life of Indiana

The Peoples Life of Indiana, Frankfort, Ind., announces the issuance of a new form called an elective annuity policy. It is on the annual premium deferred annuity plan. It is extremely flexible. This is the first annuity policy issued by this company without insurance benefits.

## CHICAGO NEWS

#### BIG C. L. U. ATTENDANCE

The huge attendance of 320 was recorded at the monthly meeting of the Chicago chapter of C. L. U. An open forum was held by Nathaniel Seefurth of the Seefurth Service, covering taxation, including Illinois inheritance, federal estate, federal gift and federal income taxes; creditors' rights in life insurance and annuities, business insurance and insurance trusts, wills and estates.

There was some discussion of deferred annuities and their taxability under the gift tax. Mr. Seefurth's opinion being that there should be absolute transfer of the contract with no control by the purchaser of proceeds, change of beneficiary, death benefits, etc.

There were many questions asked about income tax on proceeds of annuities. Mr. Seefurth pointed out the advantages of making assignments rather than to arrange an irrevocable beneficiary clause, as under the latter the policyholder retains some rights in regard to method of settlement, naming a contingent beneficiary, etc., which makes

WHEN YOU NEED it most, life insurance will be ready to serve you: as a credit index, as an emergency reserve fund, as a retirement fund. When your family needs it most, life insurance swings into action for it alone, of all investments, is governed by events and not by time.

**THE MUTUAL BENEFIT**  
LIFE INSURANCE COMPANY  
300 BROADWAY, NEWARK, NEW JERSEY





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the proceeds taxable. Mr. Seefurth also discussed corporation insurance, expressing belief that under the new federal income tax law there may be some interpretations under which the cash value of life policies will be looked on as a special type of surplus and not taxable. President A. J. Johannsen told of the Northwestern University C. L. U. review course just being started. The largest class in the history of the course is expected.

\* \* \*

#### CUMMINGS' AGENCY IN LEAD

The general agency of F. D. Cummings in Chicago, representing the Pacific Mutual Life, although only ten months old has set a fine record. It led the company's general agencies in the life department in July and was second in September, barely missing first place. Mr. Cummings reports, by \$8,000 of business.

\* \* \*

#### FOUR LEADERS ARE CHICAGOANS

The Sam Lustgarten agency of the Equitable of New York in Chicago has three of the four leading Equitable producers in the United States. John Morrell, associate manager, has been with the agency eight years, Louis Behr five years and Harry Steiner seven years.

All of these men will have produced at least a million dollars paid for business the end of this month and have been million dollar producers several times.

Harry Wright, associate manager W. V. Woody agency, Chicago, ranks third among the leading four agents of the company, so the four leaders are all Chicagoans.

The Lustgarten agency is also the second leading agency in production in the company the past three months, exceeded only by the Woods agency in Pittsburgh.

\* \* \*

#### C. L. U. COURSES START OCT. 30

One of two courses, preparatory to examinations for the C. L. U. designation, will be started at Northwestern University School of Commerce, at the Chicago downtown campus beginning Oct. 30. This covers sections 1, 2 and 3 of the examination. Course 2 will begin Jan. 4 and will cover sections 4 and 5.

The courses are under the supervision of A. J. Johannsen, who is president of the Chicago C. L. U. chapter and supervisor in the Hobart & Oates agency of the Northwestern Mutual Life in Chicago. He was a speaker at the recent annual convention of the

### Twelve Years' Work in Weekly Production

S. C. Beaty of Jackson, Miss., an agent of the Mutual Life of New York, has completed his 12th year of consecutive weekly production. He graduated from Mississippi College in 1913 and for some years afterwards taught school in rural territory. He then entered life insurance work and in 1922 joined the Mutual Life in its Meridian, Miss., agency. R. F. Lawton, now manager at New Orleans, was then head of the Mississippi agency. He offered a small prize for six months weekly production, it being a fountain pen. Mr. Beaty won the prize and from that time up to the present has never lost a week without getting an application. He has been a member of the \$250,000 Field Club for nine years. He still has the original fountain pen.

National Association of Life Underwriters.

Other members of the faculty are G. S. Brown of the Penn Mutual Life, who is a past president of the National chapter C. L. U.; Walter N. Hiller of the Penn Mutual, past president Chicago chapter C. L. U.; Dr. Roy L. Davis of the W. W. Durham & Co. agency, past president Chicago Association of Life Underwriters, and the following members of the faculty of Northwestern university: Ernest H. Hahne, economics; W. F. Byron, sociology; L. D. Egbert, political science; J. C. Teevan, business law; H. E. Dougall, finance; F. H. Gane, Jr., finance.

\* \* \*

#### PONDER FUTURE OF CLUB

Some of the leaders of the Insurance Club of Chicago held a meeting the other evening to decide what the future of the club should be. They reached a decision to circularize the membership, which now numbers about 200, asking whether they desired that an annual dinner be held and if so, whether they would attend. If enough interest is indicated and a dinner is held, the members would then be asked whether they desire actively to support the club and have it perpetuated or whether they desire that the club be disbanded. J. C. Stewart of the New Century Casualty, secretary of the club, is sending out the letters this week.

## NEWS OF LIFE ASSOCIATIONS

### Plan for Illinois Congress

Program Is Announced for the Meeting at Peoria in Connection With State Organization

Plans are being completed for the sales congress at the Pere Marquette hotel, Peoria, Ill., Nov. 9, in connection with the meeting of the Illinois Life Underwriters Association. The executive committee of the Illinois association will hold a banquet the evening before. The speakers for the congress are W. R. Chapman, assistant director of agencies Northwestern Mutual; R. A. Tennant, supervisor Metropolitan Life; Earl E. Smith, assistant agency director Equitable Life of Iowa, and Victor F. Jones, district agent Aetna Life of South Bend, Ind.

The sales congress committee is in charge of Chairman R. O. Becker of Peoria, general agent Northwestern Mutual. The speakers' committee is headed by C. W. Reuling, who is general agent Massachusetts Mutual in that city.

### Gray Speaks in Philadelphia

Prudential's Assistant Secretary in Inspirational Talk at Association Meeting

Advice to agents of practical and inspirational value was given by A. E. N. Gray, assistant secretary Prudential, at a large gathering of the Philadelphia association. He suggested that an agent regard his philosophy of the business on three basic considerations: First, what must the agent do to sell life insurance; second, what must he say to sell life insurance; third, why is he selling it. A willingness to work as a prerequisite to success may be assumed. Yet, he said, many men enter the business only to leave it again, whose failure could not be ascribed to laziness. Beyond willingness to work, therefore, an agent should know what he is selling.

A life policy is simply a means whereby a man can accumulate a sum of money through a conservative 3 or 3½ percent investment. As a matter of

## "Prospect Acceptance"

JUST as certain firms have served their customers so well that the public has come to bestow consumer acceptance upon their merchandise, so life insurance companies like the Oregon Mutual Life Insurance Company have earned and are accorded unquestioned acceptance in the minds of the insuring public.

Because of its outstanding record as the Pioneer Mutual Life Insurance Company West of the Rockies for more than a quarter of a century, this institution is "accepted by the prospect" to an unusual degree.

It is therefore a highly desirable company with which to begin your work as a life underwriter. An invitation to write us for details is extended to any who contemplate entering the field of selling life insurance.

Address your inquiry to

# OREGON MUTUAL LIFE

Home Office: Portland, Oregon

"Pioneer Mutual Life Insurance  
Company West of the Rockies"



Two books on Lincoln, "Little Known Lincoln Episodes" and "Abraham Lincoln—A Concise Biography," have been published by THE LINCOLN NATIONAL LIFE INSURANCE COMPANY of Fort Wayne, Indiana. These books—supplied without cost to LNL field men—furnish Company and sales introductions to parents, teachers, libraries, and others interested in Lincoln. \* \* \* \* \*

## Once Again as Usual

Gain of Insurance in Force for 1933  
Over Six Millions

**INSURANCE IN FORCE OVER \$134,000,000.00**

### ADDRESS

**CHAS. E. WARD**

Vice-Pres. in charge of Agencies

## SHENANDOAH LIFE INSURANCE COMPANY

**E. LEE TRINKLE, President**

**ROANOKE, VIRGINIA**

### \$100.00 A YEAR BUYS FINANCIAL FREEDOM

With this new Dominion Life Pension Bond you can retire at any age from 45 to 70 on a guaranteed monthly income for life.

For full details—without obligation—write



**THE DOMINION LIFE  
ASSURANCE COMPANY**

LANSING - 801 OLDS TOWER BLDG.  
DETROIT - 2724 UNION GUARDIAN BLDG.

## 76% INCREASE

IN NEW BUSINESS WRITTEN

During First Six Months of 1934 As Compared  
With Same Period of 1933.

## WOODMEN OF THE WORLD LIFE INSURANCE ASSOCIATION

Insurance Bldg., 17th & Farnam Sts.

**OMAHA, NEBR.**

ASSETS MORE THAN \$117,000,000.00

sentiment, people think of life insurance as "protection," but it can not be divorced from investment. By explaining this, an agent has an adequate canvas on which to paint this story, Mr. Gray said. A life policy differs from an ordinary 3 or 3½ percent savings plan only in that the life company will complete the prospect's plan for him, if he does not live to do so. "With this in mind the agent should be able to allow the prospect to select his own plan, and the question of which type of policy he should sell to an individual should not come up in any other way in the course of an interview." Mr. Gray said that if an agent does not have an active desire to talk to people who may not want life insurance, and persuade them that they should have it, nothing that has been written on the subject of "prospecting" will be of any value to him.

The agent can say in the interviews practically anything that will make the prospect pause and think. "An agent should have a fundamental idea of why he is selling. Much that is uncomplimentary has been said about the prepared sales talk, but such a talk may not be just like the one that the previous agent gave the prospect. Further, it not only enables the agent to be convinced of an idea himself, but it compels his listener to follow along with it. Many a prepared sales talk gets derailed through the malevolent intent of the prospect. Yet the fact that the track is there enables the agent to put his train of thought back on it." Mr. Gray suggested that agents appeal to a selfish motive to secure an interview, and to an unselfish motive to close a sale. The agent should have sufficient courage to bring emotion into play by indicating to the prospect that he understands and sympathizes with his problems.

It was announced that L. F. Paret had been elected president of the Pennsylvania association and that under M. R. Orr as new president of the Philadelphia group, a series of six educational lectures would be given, starting early in November with a talk by Dr. S. S. Huebner.

\* \* \*

### Wright Talks at Milwaukee

**Gives Four Points in Success—Elimination of Part-Timer and Non-producer Urged**

MILWAUKEE, Oct. 25.—A definite work program with time control, paying more attention to interviews relating to new business rather than worrying about the business which will naturally result from a sufficient number of interviews, was emphasized at the October meeting of the Milwaukee Association of Life Underwriters by Harry T. Wright, associate manager in Chicago for the Equitable Life of New York. Mr. Wright has been a million dollar producer for ten years.

Four definite helps for life underwriters to keep going or help develop a program of activity were given by Mr. Wright: Enjoy the work, have a definite quota and make it a worth-while quota, develop real determination to make the club or quota, and have a real appreciation of the service being rendered.

Mr. Wright stressed the responsibility of the local life underwriters' associations in the elimination of the part-time and non-producing agent, explaining the methods used in several cities throughout the country. Such agents, he emphasized, do not contribute much to the underwriting business since 15 percent of all agents now write 85 percent of the business. If the 85 percent of part-time and non-producers was eliminated, 95 percent of the present business would be written anyway but under more favorable conditions, more intelligent selling and better servicing to the public.

\* \* \*

### Guidebook Being Prepared

The National Association of Life Underwriters is now preparing a booklet for the guidance of local associations,



## George Washington Life Insurance Company

of  
**Charleston, W. Va.**

**CHARLES L. PRESTON**  
President

**PROGRESSIVE! AGGRESSIVE!**

For Agency Contract, write to

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Home Office Building:

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**INSURANCE  
MEN WANTING  
AN AGENCY  
IN WHICH  
THEY CAN  
MAKE MONEY  
NOW  
SHOULD  
WRITE  
TO**

*The Service Life*  
**INSURANCE COMPANY**  
OMAHA, NEBRASKA  
*John A. Farber*  
PRESIDENT



containing suggestions as to programs, meetings and attendance. Much of the material will consist of suggestions that were made at the conference to discuss local association affairs during the convention of the National Association of Life Underwriters in Milwaukee. In addition, the National association is requesting the local organizations to submit ideas and suggestions that could be incorporated in the booklet.

### Paret New President of Pennsylvania Association

Louis F. Paret, Philadelphia general agent of the Provident Mutual Life, is the new president of the Pennsylvania Association of Life Underwriters. He was elected at the annual meeting to succeed A. Rushton Allen, who recently resigned as general agent of the Union Central Life, to devote his entire time to the practice of law. Mr. Allen was elected counsel of the association.

F. B. Kirby of Allentown was elected eastern vice-president; Paul V. Tillard, Altoona, central vice-president; Thomas Hughes, Erie, western vice-president, and S. L. Rice, Harrisburg, secretary. Those elected on the executive committee were H. M. Brubaker, Williamsport; G. W. Graff, York, and T. A. Wooley, Reading.

### May Form Virginia Association

President T. M. Riehle of the National Association of Life Underwriters is attending the state sales congress at Richmond, Va., Friday of this week. He invited the officers of the various local associations in the state to meet with him following the congress, to consider formation of a state association. If such an association is formed in Virginia, it will be the 20th state to have a state-wide organization.

Last week President Riehle an-

nounced appointment of a new committee on state and regional associations in his desire to aid in the creation and direction of such organizations.

\* \* \*

**Indianapolis.**—The members at a luncheon Oct. 26 will hear reports of the national convention. H. E. Nyhart, president, will preside and the program will be in charge of J. L. Rainey, vice-president and chairman of the program committee. Five members who attended the National association meeting are to speak. They are E. A. Crane, Northwestern Mutual Life, trustee of the National association; M. B. Oakes, Research & Review Service; R. H. Habbe, Massachusetts Mutual, past-president of the Indianapolis association; F. D. Brosnan, Indianapolis Life; and R. L. Colby, Franklin Life.

\* \* \*

**Aurora, Ill.**—An organization meeting will be held here Oct. 29 to form a local association and elect officers. A preliminary meeting was held last week, attended by 19 Aurora agents and leaders in the state association, including C. F. Axelson of Chicago, president, Walt Tower, manager of the Chicago association; J. M. McClenaghan of Elgin, vice-president Illinois association; Tom Lauer, president Joliet association; W. K. Pierce, who was the first president of the Elgin association. B. J. Stumm is chairman of the organization committee for the Aurora association.

\* \* \*

**Chicago.**—Dr. J. A. Stevenson, manager home office agency Penn Mutual, Philadelphia, and nationally known life insurance educator, will address the Chicago association at a luncheon meeting in the Hotel Sherman, Oct. 30.

\* \* \*

**Rochester, N. Y.**—Dr. David McCahan, dean of the American College of Life Underwriters, speaks Friday on "Making Movies."

The Life Insurance Trust Council of Rochester will hold a meeting in November in conjunction with the life underwriters. At its October meeting E. W. Hughes, general agent Massachusetts Mutual Life, and N. E. Lengeman, trust officer Union Trust Company, spoke.



## 4 reasons why Occidental Life is "Winning the West"

1. Highly-salable life insurance policy forms.
2. A company of unquestioned financial stability.
3. A highly-satisfactory, liberal agency bonus contract.
4. An outstanding advertising program that furnishes real live leads.

Here are the four reasons why the Occidental Life Insurance Company of California has just concluded a banner year—why it will win still higher production marks during 1934.

Agencies now in western states, Alaska, Canada, Hawaiian Islands and treaty ports of China. Openings available for live and aggressive agencies and men.

### Occidental Life Insurance Company of California

Old Line Legal Reserve Life, Accident, Health

Home Office, 548 S. Spring St., Los Angeles, Calif.  
V. H. Jenkins, Vice President, in charge of production.

## NEWS OF THE FRATERNALS

### Seeking Civic Recognition

**Fraternalists in Nebraska Congress Urged to Take Part in Community Work, Modernize Forms**

LINCOLN, NEB., Oct. 25.—The chief topics discussed at the annual meeting here of the Nebraska Fraternal Congress were modernization of policies by all fraternalists, more concentrated drives for enlistment of juveniles as policyholders, and increasing the civic importance of local lodges. C. D. DeBarry of Chicago, head of DeBarry & Associates, said that while 90 percent of the fraternalists have aroused themselves to the need of an up-to-date form of certificate that would place them in direct and fair competition with old line companies, 10 percent have done little or nothing to modernize what they have to offer. Officers were advised to concentrate more and more on perfecting agency organizations and selling insurance rather than scouting for members.

#### Mrs. Talley in Plea

Mrs. Dora Alexander Talley, head Woodmen Circle, urged lodges in smaller towns, particularly, to affiliate their membership and organization with civic activities in their communities. The success of large fraternalists in recruiting juvenile members was pointed to as proof of the value of such activities by all fraternalists.

Officers elected are: President, Ira Mitchell, Maccabees, Omaha; vice-presidents, Dr. V. V. Smrha, Western Bohemian Association, Milligan; Mrs. Florence H. Jensen, Woodmen Circle, Omaha, and F. J. Cassidy, Ben Hur, Lincoln; secretary-treasurer, Ida B. Kennedy, Lincoln. Omaha will be the 1935 convention city.

### Interesting Point Is Raised

**Question Whether Company Can Be Exempt from Tax on Its Fraternal Class**

Insurance Commissioner Boney of North Carolina has filed information with the attorney general of his state on which to base a suit for alleged unpaid taxes against the United Mutual Life of Indianapolis. The commissioner charges that this company insures members of the Knights of Pythias. It has filed no tax returns for the time in which it has operated in North Carolina, and he contends that it is in arrears between \$5,000 and \$7,500. The company, according to the information, was organized in 1930 and the Knights of Pythias transferred its membership insurance to the United Mutual. As a fraternal, the Knights of Pythias was exempt from taxation.

The United Mutual contends that it should be exempt from tax on its strictly fraternal business. Commissioner Boney, on the other hand, holds that the United Mutual is a regular legal reserve mutual company, insuring all classes of people and that it should not be exempt from the tax provision on any class. The company retired from North Carolina April 1 of this year.

#### W. H. Owens Is Dead

W. H. Owens, 80, for many years secretary of the Ben Hur Life Association, Crawfordsville, Ind., and later a member of the executive board, died at his home following a long illness.

#### Veteran Field Man Dies

I. H. McCarty, northwest field adviser for the Ben Hur Life, and asso-

## Men Wanted — Reliable and Trustworthy Men To Sell

The United Six-Way Protection Contract

### All in ONE POLICY:

1. IF YOU LIVE TO AGE 65—it will pay you \$5,000.
2. IF YOU DIE BEFORE AGE 65—it will pay your family \$5,000.
3. IF ANY FATAL ACCIDENT should occur to you—it will pay your family \$10,000.
4. IF CERTAIN FATAL ACCIDENTS should occur to you—it will pay your family \$15,000.
5. IF ACCIDENTAL INJURY should totally incapacitate you—it will pay you \$50.00 per WEEK for 52 WEEKS, and \$25.00 per WEEK thereafter. This pays for ONE DAY, ONE WEEK, ONE YEAR or for LIFE.

(Non-Cancellable)  
(Non-Proratable)

### IN ADDITION:

6. IF YOU BECOME TOTALLY AND PERMANENTLY DISABLED—you will be relieved of the necessity of making any further premium deposits. Then at age 65 you will receive \$5,000, just as though you had continued to make deposits yourself. In the event of your prior death the FULL FACE VALUE of the Policy will be paid to your family.

GENERAL AGENCY AND DISTRICT MANAGER OPPORTUNITIES AVAILABLE.

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UNITED LIFE AND ACCIDENT INSURANCE COMPANY  
Concord, New Hampshire

SAFEGUARD  
the FAMILY  
with low cost  
income protection



Family Income Policy

LIBERTY NATIONAL LIFE INSURANCE CO.  
BIRMINGHAM, ALABAMA.

## Opportunity for Managers

in

## Desirable Territory

**F**OR qualified men there is a liberal and profitable manager's contract. The men chosen will work under the direct supervision and assistance of the Home Office. They will be given every possible help to insure their success with this strong 30 year old company.

This company writes all complete and modern forms of life insurance at a low net cost. Policies include participating, non-participating, disability and double indemnity.

*If you are interested in a manager's contract that offers a real opportunity write*

S. M. Cross, President

Columbia Life Insurance Co.  
Cincinnati, Ohio

## Rockford Life Has a Message for You

President F. L. Brown  
Rockford Life Insurance Co.  
Rockford, Illinois.  
Dear Sir:

**It Concerns Contract Direct  
With the Company**

SEND ME THE MESSAGE

Name .....

Address .....

City ..... State.....

## OPPORTUNITY!

*Desirable Territory Open for General Agencies.  
Liberal Contracts.*

**THE CAPITOL LIFE  
Insurance Company  
DENVER, COLORADO**

**THE UNITED STATES LIFE INSURANCE COMPANY**  
Organized 1850 In the City of New York Non-Participating Policies Only  
Over 80 Years of Service to Policyholders  
Good territory for personal producers, under direct contract  
**HOME OFFICE: 156 Fifth Avenue, New York City**

ciated with fraternal insurance for 26 years, died at his home in Portland, Ore., at the age of 59. He was state manager in Iowa and Nebraska until 1932, when he went to the Pacific Coast.

### Cobb Head of Society

In referring to business gains of the North American Union Life, a typographical error occurred, G. E. Todd being mentioned as president. G. E. Cobb, of course, heads this society, whose head office is in Chicago. H. H. Witt is secretary.

### Accident-Health Field News

#### Cousins Gives Selling Plans

Attendance of 140 at First Luncheon  
Meeting of Chicago Accident &  
Health Insurance Club

A record attendance, with more than 140 at the luncheon, marked the first fall meeting of the Accident & Health Insurance Club of Chicago, at which W. C. Cousins, agency assistant of the Aetna Life accident and health department, spoke on "Planned Salesmanship."

Before taking up his sales plans, Mr. Cousins spoke of the magnitude of the field, pointing out that out of the 40,000,000 wage and salary earners in this country not more than 20 percent are adequately insured. He said that accidents constitute the largest single cause of crippling, dependency and destitution.

Every man who is in the insurance business is there primarily to make money. Mr. Cousins declared that if an agent will sell only three policies a month, with an average premium of \$30, with his renewals he will in five years have an income of \$700 a year and in 11 years, \$1,200.

Before presenting his sales plan, he said that if any producer is using a method of selling that gets results, he should by all means stick to it. His method, he added, does not offer any panacea for the ills of the business but it has the merit of simplicity and it gets results. The past summer he has made 540 calls with agents, resulting in 176 interviews and nearly 60 sales, or approximately one interview for each three calls and one sale for each three interviews. The average premium was \$31.61, the average commission \$7.90 and the average value of each interview \$2.70.

He outlined methods he has used with success in dealing with particular types of prospects and in meeting objections. The idea which seemed to make the greatest appeal to his hearers was his statement that when it comes to filling out the application, he always gives a copy to the prospect and has him follow down the questions, "to keep his mind occupied so at the last minute he won't buck."

Mr. Cousins also spoke later in the week at the Cleveland Accident & Health Sales Congress. Other speakers there were C. H. Davis, agency supervisor Pacific Mutual Life; George Manzelmann, North American Accident, president Health & Accident Underwriters Conference, and William Dawson, Continental Casualty, Pittsburgh.

#### Will Study Reimbursement

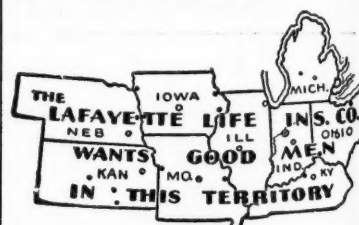
NEW YORK, Oct. 25.—So many points are involved in the suggested prorating of claim payments under the medical reimbursement feature of personal accident policies that the underwriting committee of the Bureau of Personal Accident & Health Underwriters, which has the matter under review, will devote further study to it before asking an official opinion as to its merits from the insurance commissioners of the country.

## STEADY PROGRESS

Indicated by substantial  
gains every month this  
year.

More than 17%  
increase in Life  
Insurance in force  
since the first of  
January.

*The*  
**PROVIDENT**  
LIFE AND ACCIDENT  
INSURANCE COMPANY  
of  
CHATTANOOGA, TENNESSEE  
LIFE ACCIDENT HEALTH  
GROUP



No Better Territory  
No Better Company  
No Better General Agent's  
Contract Than Our Service  
Pension Contract

**THE LAFAYETTE  
LIFE INSURANCE CO.**

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F. L. Alexander, President  
W. R. Smith, Field Vice-President  
LAFAYETTE, INDIANA

**Strong  
Progressive  
Experienced**  
Over Three Quarters of a Century of  
Successful Underwriting  
Our Guarantee for the Future  
**THE ST. LOUIS  
MUTUAL LIFE  
INS. CO.**

St. Louis, Missouri  
Representatives desired in  
MISSOURI, ILLINOIS AND KANSAS  
TERRITORY



# SALES IDEAS AND SUGGESTIONS

## Prospecting, Estate Analysis, Causes of Failures, Assurance of Security Are Covered at Cleveland Meeting

Five outstanding speakers discussed problems vital to life agents at the Northeastern Ohio Sales Congress, sponsored by the Cleveland Life Underwriters Association.

Clancy D. Connell, general agent Provident Mutual Life, New York, brought out valuable suggestions on the chain method of prospecting in his talk "Prospecting in 1934." "It is amazing," he stated, "how much valuable information can be secured from the medical blank of an application but few take full advantage of it. We must constantly seek new names and references for future prospects and the medical blank information about a person's relatives offers a whole new set of contacts. Often, for instance, the wife grew up in an entirely different locality, went to a different college than her husband, and maintained a different acquaintanceship during her youth. Through her, leads to many prospects might readily be obtained."

### Make Definite Study of Situation, Set Quota

"Make a definite study of your own situation, the number of prospects and policyholders you have and set a quota of contacts. We suggest setting aside Monday as prospect day and have a luncheon engagement that day with a friend for the purpose of getting information on new prospects. Then use

a period in the afternoon for outside prospecting. If you get your quota of prospects on Monday, you will do well throughout the week."

Mr. Connell suggested getting names and references with each application for future use. "The biggest problem in getting a person established as a center of influence is getting the first prospect from him. Don't be afraid to show your gratitude when you sell his prospects and about four times out of five he will give you more names. When the center of influence knows you will not affect the relationship between himself and his friends whose names he gives you, he will open up. Show him just how you are going to use those names."

### Must Get New Blood in Prospecting

Another thing which the speaker warned about, was sticking entirely to the same group year after year. "Remember," he said, "that they are growing older each year and you should add youth to your calls."

Mr. Connell also talked at a noonday luncheon for supervisors on "How to Teach Agents Present Day Prospecting Methods."

Norman B. McKibbin, general agent Dominion of Canada General, Toronto, brought out the advantages of appealing to the eye in his address on "Estate

Analysis Selling." "You should use your eye appeal regularly," he said, "for the eye is 22 times more potent than the ear. Consequently, draw your pictures on paper." His talk was ably carried out by the use of charts. Mr. McKibbin took up the three questions: (1) Who are prospects for estate analysis? (2) What sales tactics have been successful in estate analysis selling? (3) Why should estate analyzing be the work of life underwriters?

People who depend upon personal effort and whose estate is insufficient to take care of them during old age, are prospects, said Mr. McKibbin. So are the ones who have acquired property. Both income and estates must be protected. Estates which were protected a few years ago, need a new analysis because of the many changes made. Tables were shown indicating the big changes in taxes affecting estates and the need for more cash to meet all taxes at death.

### Three Points in Estate Analysis Sale

"In selling by estate analysis," he said, "you should first ascertain 'what property the prospect already has,' second, 'what the prospect wants to accomplish which requires money,' and third, 'what distribution he has.'"

"Definiteness is the first requirement. Your analysis approach should not be made on the basis of making a sale but on the basis of securing information. The first call is for the purpose of getting acquainted, getting information and preparing for your next interview. When you have secured information about the prospect's estate, go away and analyze it. You can present your find-

ings and suggested program at the next interview and then discuss plans rather than policies."

The speaker closed with a brief outline of the qualities necessary for success in the insurance business. "You must be courteous and courageous in the face of disappointment," he said. "Be enthusiastic and optimistic because you are creating better days ahead for humanity. To succeed, you must earnestly 'desire'."

### Pictures Week of Excuses and Failures

W. F. Williams, district agent Northwestern Mutual Life, Meadville, Pa., gave a popular presentation of what not to do in his talk on "How to Sell Life Insurance." Mr. Williams spoke for the benefit of the average producer and, through his own experiences over a certain period, indicated the usual excuses and methods which cause failure. Most agents know how to sell, he said, "but I am not so sure that we make use of the knowledge we possess." Although Mr. Williams is a leading producer he indicated just what could happen if the agent succumbed to the many influences around him. A whole week was analyzed, day by day, in which not a single policy was successfully sold. Visitors in the office, friends on the street, rambling conversations with prospects, unexpected evening engagements and many other things combined against him during that week. And especially, he warned through his own experience, against the zero hour of 11:30 a. m., the time when many insurance men feel it is too close to noon to make a call. "Use of time," he brought out, "is the most neglected of all things. The short-

We are looking for ambitious, energetic men who build for tomorrow. To them we offer service and assistance in building strong, efficient agencies.

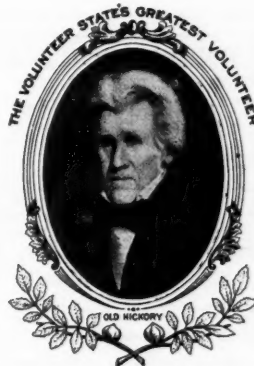
# TOLLICA

### Agency Openings in:

Illinois	Ohio
Iowa	S. Dakota
Michigan	Washington
Minnesota	Wisconsin

The Old Line Life Insurance Co. of America  
Milwaukee Wisconsin

Entering its twenty-fifth year of service to  
Policyholders and Agents.



## THE REAL TEST

A life insurance company is judged by its past record—its ability to answer in the affirmative questions such as:

1. Is the management alert and resourceful?
2. Is it a sound and progressive institution?
3. Are all just claims paid promptly?
4. Are the policy contracts modern and are the field men adequately compensated for selling them?

As hertofore, our purpose will be to continue to maintain these distinctive qualities which have characterized this company since its organization.

## THE VOLUNTEER STATE LIFE INSURANCE COMPANY

Chattanooga, Tennessee

RICHARD H. KIMBALL, President

Faithfully Serving Policyholders Since 1903

comings of his own special week bore a strong message of advice in a most humorous and acceptable way."

James G. Callahan, St. Louis manager of the Metropolitan Life, and new secretary of the National Association of Life Underwriters, in speaking on "Trusteeship of Income Through Life Insurance," outlined the many problems faced in life which called for the security of insurance. "We live in a world of insecurity," he said. "We have to face the problem of death, the problem of disability, of unemployment, old age and many others. Insurance has

been made more important by the conditions of recent years where whole fortunes have been lost in the world of investment. Life insurance is the only property that can guarantee both interest and principal."

Many graphic illustrations were made showing the advantages of a salary income plan for widows and children. Conversely, actual cases from life were related where securities of various kinds had failed and children were deprived of education and the better things of life. He indicated how the average investment was changed every five years and

a person made about eight investments in a life time. What people need is an investment that can stand the test of time and doesn't have to be torn down every few years. Estates shrink and it is practically impossible to prevent losses. He illustrated cases where great losses had been incurred because of the lack of actual cash when needed.

#### Life Insurance Has Great Opportunity Today

Because of the public's bad experience with other forms of investment, life insurance has a greater opportunity of presenting its ability today. For a hundred years, insurance companies have been collecting facts regarding the affairs of men and it is only logical that they should be best fitted to meet their needs.

Insurance will do three things: (1) it will create wealth; (2) it will undertake the distribution of wealth; (3) it will guarantee the income and no other institution will do this.

Life insurance takes a long range view and has long term investments. The reserves of life insurance companies are represented by investments in securities which are the very lifeblood of the nation. Because of the great diversification of investments and income, an insurance company can hold on to its property where an individual would be forced to sell at loss. The magic of the insurance plan, is that thousands of premiums are constantly pouring in even if securities are not paying. The mortality table is closely con-

sulted, too, and thus the company can guarantee every policy contract. "We should sell on this strength and guarantee," Mr. Callahan declared. "We should sell plans and not policies. Through trusted income, we can meet many problems while the continual income for dependents is a source of benefit to whole communities."

E. W. Brailey, president of the Cleveland Life Underwriters Association, supervised the vote on new member applications and announced that the association has a total of 546 members. Mr. Brailey talked briefly, bringing out a summary of many important points in life insurance selling. "We should not make our presentation too complex," he said, "for the average person is governed by simple ideas. Talk in simple terms that they will understand. Most of them would rather say 'no' than to admit that they didn't understand a complex story. Above all, maintain a flaming enthusiasm."

Rev. M. H. Lichtner, pastor of the First Congregational Church, Columbus, O., spoke on "An Underwriter's Creed." His three-point creed is as follows: (1) My only competitor is myself; (2) I find my greatest joy in my work; (3) I will constantly expand the frontiers of my intelligence.

E. B. Fisher, National Life of Vermont, first vice-president, and J. H. Rutherford, second vice-president, presided at the two sessions. Music was furnished by the association orchestra under the direction of W. H. Liscom, Bankers Life of Nebraska.

Organized 1870

## MUTUAL LIFE INSURANCE COMPANY of Baltimore

Home Office: Charles & Chase Sts., Baltimore, Md.  
ORDINARY INDUSTRIAL

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Consulting Actuary  
307 Peoples Bank Bldg.  
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THE BOURSE PHILADELPHIA

## MANAGERS' ASSOCIATION NEWS

### Psychological Test Applied

Pittsburgh General Agents Use Verne Steward in a Clinic on Recruiting New Agents

The agencies committee of the Pittsburgh Life Underwriters Association composed of managers, general agents and superintendents in Pittsburgh held a clinic or school on the psychological testing of recruits for life insurance last week, it being conducted by Verne Steward. He is a lecturer on life insurance at the University of Southern California.

Each of the central agents brought one of his salesmen. Dr. Steward passed out the tests to these men. The test is divided into four parts. The men are given a fixed period of time for each part, at the conclusion of which the papers are marked according to a score sheet, the points are added, and the total grade on the basis of 100 percent is found. The office executives attending this meeting, upon examining the result of the men they brought, were impressed by the fact that in each instance the result of the test exposed the men satisfactorily, intelligently and in line with their own opinion. In other words, an understanding of the recruit can be secured in one and one-half hours testing, which would otherwise take weeks of observation.

#### Willing to Make Study

All matters pertaining to recruiting, especially an improved selection, has been the pet child of the agencies committee of Pittsburgh, and the members are willing to give any bona fide proposal a thorough investigation. It is their belief that the life insurance business faces a period where not only the training and supervising of an agent will be an important consideration, but where the original basic qualities on which his selection is based must be more carefully considered. In other words, personality, mental background, social background, experience background, must in some way be tested and understood before he is exposed to either training or experience. If this

knowledge of a prospect can be accomplished, much time and woe can be saved company and field executives. It is along this line that the Pittsburgh managers are at present directing their thought.

### Averill Is Oregon Speaker

PORTLAND, ORE., Oct. 25.—Speaking before the Life Managers Association of Oregon, Commissioner A. H. Averill outlined the tremendous strides made in life underwriting in the state in the last few years. He was elected an honorary member of the association.

Horace Mecklem, general agent New England Mutual Life, recently elected trustee of the National Association of Life Underwriters, reported briefly on the Milwaukee meeting. He is the only trustee from the Pacific Northwest.

## They Said We'd "Get Burnt"

When our new Super-Disability policy went on the market, so simple was the contract, and so free was it from confusing technicalities and restrictions that we were told we'd get "burnt."

But we knew we could write a policy for accident and health as clean cut as the life contract, and we did it. We haven't been burnt.

Life agents have found it an excellent means to complete the protection with which to surround their clients. Send in the coupon for further information.

**INTER-OCEAN CASUALTY COMPANY**  
Executive Office  
CINCINNATI-OHIO

Inter-Ocean Casualty Co.,  
American Bldg., Cincinnati, Ohio.  
Please send me information regarding your accident and health policies.

NAME .....  
STREET .....  
CITY ..... N. Y.